This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Offer Shares. We are a biotechnology company seeking a listing under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Listing Rule 8.05 (1), (2) or (3). The Listing will constitute a spin-off from MicroPort and Shanghai MicroPort will be the largest shareholder of our Company upon Listing. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a medical device company in China focusing on the research, development and commercialization of innovative transcatheter and surgical solutions for valvular heart diseases. Our mission is to improve the lives of valvular heart disease patients by providing optimal and affordable medical solutions through continuous innovation.

Our self-developed first-generation transcatheter aortic valve implantation ("**TAVI**") product, VitaFlow™, was approved by the NMPA in July 2019 and subsequently commercialized in China in August 2019. As of the Latest Practicable Date, there were five approved or commercialized TAVI products in China, among which, VitaFlow™ is the first one utilizing bovine pericardium as valve tissue, according to Frost & Sullivan. Generally, bovine materials provide better durability and hemodynamic performance as compared to porcine materials. VitaFlow™ also innovatively features a first-in-China double-layer polyethylene terephthalate ("**PET**") skirt and the only marketed motorized delivery system worldwide, according to Frost & Sullivan. These unique designs have enabled VitaFlow™ to achieve positive clinical trial results[(1)] among TAVI products in China, including a low all-cause mortality rate and low incidences of postoperative complications. For details, see "Industry Overview—Competitive Landscape—TAVI Market." We also launched our first generation in-house developed Alwide™ balloon catheter and Alpass™ catheter sheath as part of the VitaFlow™ offering, making us the only medical device company in China that has a comprehensive offering of in-house developed complementary TAVI procedural accessories, according to Frost & Sullivan. Our second-generation TAVI product, VitaFlow™ II, has completed the Registration Clinical Trial in China and is also under clinical trial in Europe. We submitted the registration application for VitaFlow™ II to the NMPA in October 2020. The application was accepted by the NMPA in November 2020 and is currently under review. We currently expect that we will complete the registration of VitaFlow™ II in China by the end of 2021. In addition, we plan to apply for the CE Mark of VitaFlow™ II by the end of 2021. According to Frost & Sullivan, as of the Latest Practicable Date, VitaFlow™ II was the only TAVI product developed in China that had commenced a clinical trial in Europe. In addition to our TAVI products, we currently have five transcatheter mitral valve ("**TMV**") pipeline products strategically targeting all

(1) VitaFlow™ has achieved positive clinical trial results with respect to all-cause mortality rate and postoperative complications including moderate/severe paravalvular leakage ("**PVL**"), major stroke and vascular complication, which according to Frost & Sullivan, are major clinical trial endpoints to demonstrate the safety and efficacy of TAVI products. For details, see "Industry Overview—Competitive Landscape—TAVI Market."

mainstream viable transcatheter valve therapy[2] ("TVT") options for mitral regurgitation through in-house development and collaboration with our global partners, namely 4C Medical and ValCare, each being a medical device company focusing on the R&D of mitral and tricuspid valve medical devices, enabling us to penetrate the vast but underserved TMV market.

We are deeply rooted in the vast, rapid-growing and substantially underpenetrated heart valve medical device market. According to Frost & Sullivan, in 2019, approximately 213.2 million patients worldwide suffered from valvular heart disease, which led to 2.6 million deaths. In recent years, transcatheter valve therapy has gradually replaced open-chest surgeries as another clinical option for patients suffering from valvular heart diseases, which includes TAVI, TMV repair/replacement and TTV repair. Our product portfolio strategically focuses on addressing the most prevalent aortic valve and mitral valve diseases, including aortic stenosis and mitral regurgitation.

- *Aortic stenosis.* According to Frost & Sullivan, patients suffering from aortic stenosis globally is expected to grow at a CAGR of 14.3% from 19.7 million in 2019 to 22.1 million in 2025. As a result, the global TAVI market size is expected to increase at a CAGR of 12.9% from US$4.8 billion (or RMB32.3 billion) in 2019 to US$10.0 billion (or RMB67.3 billion) in 2025. Compared to the TAVI market in developed countries, such as the United States, China's TAVI market is significantly under-penetrated. In 2019, there were approximately 2,400 TAVI procedures performed in China with a penetration rate of 0.3%, as compared to approximately 66,800 TAVI procedures performed and a penetration rate of 23.4% in the U.S. It is expected that in 2025 there will be approximately 42,000 TAVI procedures performed in China, representing a CAGR of 60.7% for the next five years and a penetration rate of 4.5% in 2025. It is expected that China's TAVI market will grow from RMB392.0 million in 2019 to RMB5,055.7 million in 2025 at a CAGR of 53.1%.

- *Mitral regurgitation.* In 2019, there were 96.7 million patients worldwide and 10.6 million patients in China suffering from mitral regurgitation. Due to the complexity of TMV therapy, global TMV market is still in a relatively early stage with only six approved TMV repair products and one approved TMV replacement product globally. Most of the existing TMV technologies have certain clinical limitations, such as causing obstructions on the left ventricular outflow tract ("**LVOT**"), impairing function on the left ventricle and leading to device embolization. As a result, we believe the TMV products that can address these clinical limitations will benefit the most from the vast but unmet medical demands in this area. According to Frost & Sullivan, driven by the increasing market demands of TMV repair/replacement products and emerging innovative TMV technologies, global TMV market is expected to reach US$17.4 billion (or RMB117.0 billion) by 2030 and will eventually grow to three or four times of the global TAVI market.

We have developed a medical device platform focusing on valvular heart disease. The platform covers our four key business functions, namely R&D, clinical trial, manufacturing and commercialization. Leveraging this platform, all the key business functions are integrated to enable

[2] Transcatheter valve therapy refers to treatments of valvular heart diseases (such as aortic valve disease, mitral valve disease and tricuspid valve disease) through transcatheter approach, which includes TAVI, TMV repair/replacement and transcatheter tricuspid valve ("**TTV**") repair.

smooth collaboration during the whole life-cycle of a product candidate to speed up the product development process in a cost-effective manner. The platform lays a solid foundation and builds the strategic moat for our research, development and commercialization competitiveness. Driven by strong innovation capabilities and supported by stringent quality controls, our platform primarily focuses on (i) technological innovation, product design and biological material processing technique; (ii) efficient design and execution of clinical trials; and (iii) manufacturing efficiency. This platform has enabled us to continuously expand our product portfolio to tackle valvular heart diseases with innovative treatment methods. We have also established a quality control system in accordance with GMP standards required by the NMPA and ISO13485:2016.

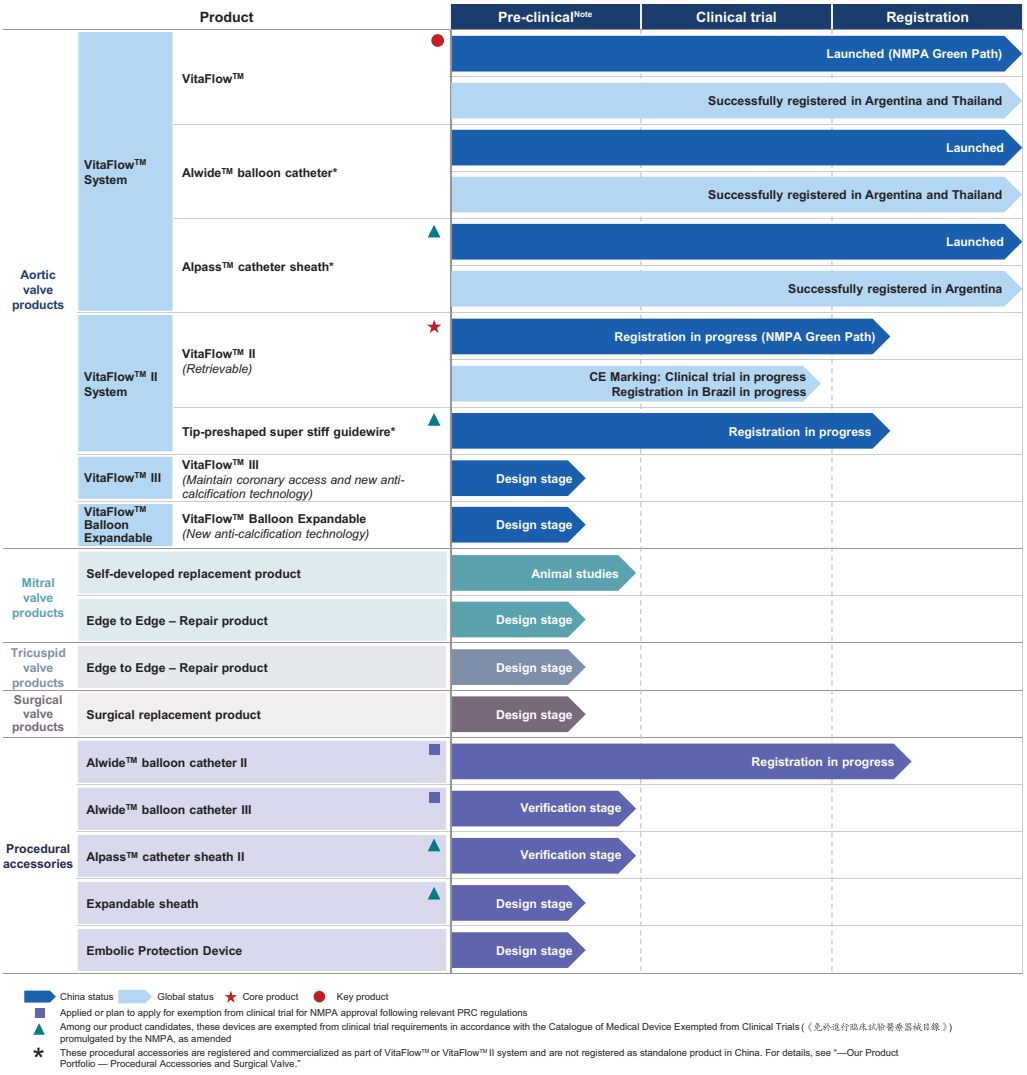
We have a proven track record of product commercialization. As of July 31, 2020, we had sold 872 units[(1)] of VitaFlow™—an average of over 70 units per month in the first year of its commercialization. As of the Latest Practicable Date, TAVI procedures using VitaFlow™ had been performed at over 145 hospitals in China, most of which are Class IIIA Hospitals located at tier-one and tier-two cities, including 18 of the Top 20 TAVI Hospitals. We have established a dedicated in-house sales and marketing team with professional medical background, primarily focusing on academic promotions. Supported by the positive clinical trial results of VitaFlow™ with respect to all-cause mortality rate and postoperative complications including moderate/severe PVL, major stroke and vascular complications, the patient-oriented pricing strategy, collaborations with KOLs and hospitals, our enabling distributor network and the brand recognition of "MicroPort" in the cardiology field, we believe we are well-positioned to benefit from the rapid growth of China's TAVI market and to further gain market share.

Complemented by our proven commercialization capabilities, medical device platform focusing on valvular heart disease and experienced management team with continuous support from Shareholders, we have successfully developed and launched a TAVI product with positive clinical trial results with respect to all-cause mortality rate and postoperative complications including moderate/severe PVL, major stroke and vascular complications in China and we are also developing our second-generation TAVI product, which is at near-commercialization stage. We are also dedicated to serving the vast but underserved TMV market, strategically targeting all mainstream viable TVT options for mitral regurgitation through in-house development and collaboration with our global partners, namely 4C Medical and ValCare, each being a medical device company focusing on the R&D of mitral and tricuspid valve medical devices. We believe these competitive strengths are difficult to replicate and we are well-positioned to capture the tremendous growth potential of the valvular heart disease market. At the same time, we plan to continue to strengthen our presence in China's TAVI market, advance our international strategy, rapidly advance our TMV pipeline and other product candidates and improve operational efficiency and achieve economies of scale to support long-term growth.

(1) The number of units sold presented in this prospectus refers to the number of VitaFlow™ systems sold, which also includes certain procedure accessories, namely first-generation Alwide™ balloon catheter and Alpass™ catheter sheath, as part of its offering.

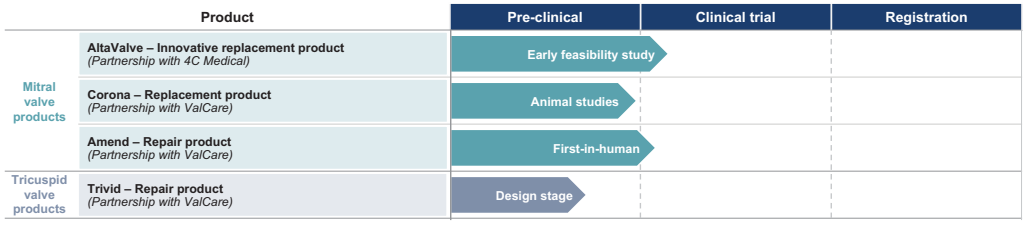
OUR PRODUCT PORTFOLIO

The following chart summarizes our in-house developed product portfolio as of the Latest Practicable Date.



Note: Design stage refers to the designing and developing of the sample product. Verification stage refers to performing verification testing on the sample product to finetune its design.

The following chart summarizes the product portfolio that are developed by our business partners and for which we owned the exclusive commercial rights in China. With respect to these products, our business partners are primarily responsible for R&D and manufacturing of the products and we are responsible for product registrations and commercialization in China.



The pre-clinical animals studies, first-in-human clinical trial and early feasibility study are designed to obtain preliminary safety and efficacy data and to prepare for next stage development. For details, see "Business—Our Product Portforlio."

VitaFlow™

Our first-generation TAVI product, VitaFlow™, was approved for commercialization for the treatment of severe aortic stenosis by the NMPA under the Green Path for Innovative Medical Device scheme in China in July 2019. Subsequently, VitaFlow™ was commercialized in China in August 2019. As of July 31, 2020, we had sold 872 units of VitaFlow™ in China.

VitaFlow™ primarily consists of a prosthetic aortic valve ("**PAV**"), a motorized delivery system and certain procedural accessories. The PAV is a self-expanding bio-prosthesis valve that is manufactured by suturing bovine pericardial valve leaflets and double-layer PET skirt onto a self-expanding nitinol frame. The motorized delivery system consists of a catheter and a motorized handle. The procedural accessories comprise our first-generation Alwide™ balloon catheter and our first-generation Alpass™ catheter sheath, which are designed to help physicians overcome the challenges in performing TAVI procedures.

We conducted a prospective, multi-center and single-arm pivotal clinical trial in China with VitaFlow™, which enrolled 110 patients with an average STS Score of 8.8. Compared with other TAVI products currently commercialized in China, VitaFlow™ achieved positive clinical trial results with respect to all-cause mortality rate and postoperative complications including moderate/severe PVL, major stroke and vascular complications. The all-cause mortality rate was 0.9% at discharge, 0.9% at 30 days, 2.7% at six months, 2.7% at 12 months, 4.5% at 24 months and 10.9% at 36 months post-implantation. None of the patients experienced moderate or severe PVL during the 12 months following the TAVI procedure. None of the patients experienced a major stroke during the 24 months following the TAVI procedure and only two patients experienced a major stroke during the 36 months following the TAVI procedure. During the 36 months following the TAVI procedure, only 2.7% of the patients experienced major vascular complications. For details, see "Industry Overview—Competitive Landscape—TAVI Market."

We generally adopt a patient-oriented pricing and commercialization strategy which we believe can achieve the balance between patients' affordability and market demands**.** We have conducted extensive market research with KOLs, hospitals, physicians and patients as well as regulatory bodies before product pricing and have taken into account various factors in product pricing, such as feedbacks collected from these parties, possibility of inclusion in the medical insurance reimbursement list in China as well as prices of our competitors. Considering patients' affordability in China and in order to gain a higher market share in China's TAVI market and to better position our products for future admission into the medical insurance reimbursement list, the price of VitaFlow™ is significantly lower than our competitors in China, despite VitaFlow™ having achieved positive clinical trial results with respect to all-cause mortality rate and post-operative complications. VitaFlow™ is priced at approximately RMB196,000 per unit under the public wholesale tender scheme in China as of the Latest Practicable Date. With its competitive price, we believe VitaFlow™ has the potential to become one of the first TAVI products to be admitted into the medical insurance reimbursement list in China. For risks associated with our pricing strategy, see "Risk Factors—Risks Relating to Commercialization and Distribution of our Products—Our pricing strategy and downward

change in pricing of our products may have a material adverse effect on our business and results of operations."

VitaFlow™ II

VitaFlow™ II is our second-generation TAVI product. Similar to VitaFlow™, VitaFlow™ II consists of a PAV, a motorized retrievable delivery system and certain procedural accessory. The PAV adopts the same design with VitaFlow™. The key upgrade lies in the delivery system, where the capsule of VitaFlow™ II includes a distal flare (a flared tip located at the distal part of the delivery system), enabling the physician to retrieve the PAV if it is not placed accurately at the designated position provided the deployment does not exceed 75% of the maximal deployment range. The retrievable function will help increase the accuracy of positioning the PAV, which will further improve the overall success rate of the TAVI procedure.

VitaFlow™ II had achieved positive clinical trial results during the Registration Clinical Trial with respect to its safety and efficacy. During the 30-day follow-up period, none of the patients experienced a disabling stroke. We had also observed a significant improvement in patients' cardiac functions, measured by the NYHA Classification. Prior to the TAVI implantation, none of the patients were classified as Class I and only 18.3% of the patients were classified as Class II under the NYHA Classification, which significantly improved to 19.3% and 68.4% at 30-day follow-up evaluation, respectively. Although there were three mortality cases observed, as reviewed and adjudicated by the clinical endpoints committee, none of the mortality cases were related to the function of VitaFlow™ II. In October 2020, we submitted the registration application for VitaFlow™ II to the NMPA, which was supported by the Registration Clinical Trial results. The registration application was accepted by the NMPA in November 2020 and is currently under review. We currently expect that we will complete the registration of VitaFlow™ II in China by the end of 2021. We will adopt similar pricing and commercialization strategy for VitaFlow™ II after it is commercially launched.

In addition, we are also conducting a pivotal clinical trial for VitaFlow™ II in Europe. According to Frost & Sullivan, as of the Latest Practicable Date, VitaFlow™ II was the only TAVI product developed in China that had commenced clinical trials in Europe. We plan to submit the application for CE Mark registration in 2021.

COMPETITIVE LANDSCAPE

China

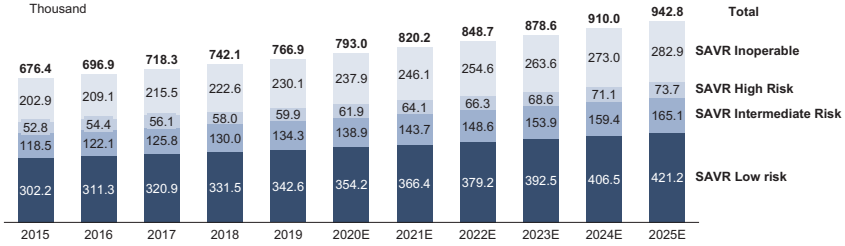
Addressable Market

As of the Latest Practicable date, TAVI is only approved for patients suffering severe aortic stenosis who are not suitable for surgeries or have high surgical risks in China. In 2019, there were approximately 290,000 patients that fall within the current addressable patient group, which is expected to increase to approximately 356,600 in 2025. Further, as FDA has expanded the indications of TAVI to also include severe aortic stenosis patients with low to intermediate surgical risks, according to Frost & Sullivan, China is expected to follow this trend. As a result, all of these patients (including the current addressable patient group as well as severe aortic stenosis patients with low to intermediate surgical risks) are considered eligible patients in China. In 2019, there were 766,900 eligible patients for TAVI procedures in China, which is expected to grow to 942,800 in 2025.

Accordingly, the current addressable patient group only represent a small portion of the total eligible patients for TAVI procedures. The following chart sets forth the historical and forecasted number of total eligible patients for TAVI procedures in China.

China Total Eligible Patients for TAVI Procedures, 2015-2025E

Period	CAGR
2015-2019	3.2%
2019-2025E	3.5%



Source: Frost & Sullivan Report

Number of Procedures

In 2019, only approximately 2,400 TAVI procedures were performed in China, representing 0.3% of the eligible patients in China in the same year. With the growing acceptance of TAVI procedures, an increasing number of eligible hospitals and the expected indication expansion of patients with intermediate- and low- surgical risks, it is expected that approximately 42,000 TAVI procedures will be performed in 2025, representing 4.5% of the eligible patients in China in the same year.

Competitive Landscape

As of the Latest Practicable Date, VitaFlow™ was one of the four domestically-developed TAVI products that had been approved for commercialization in China. In addition to VitaFlow™, VenusA-Valve and VenusA-Plus of Venus Medtech, J-Valve of Suzhou Jiecheng and SAPIEN 3 of Edwards Lifesciences had also been approved for commercialization in China. As of the same date, VitaFlow™ II was one of the three upgraded products under or beyond clinical trial stage in China. The following chart summarizes major TAVI products reaching clinical trial or commercialization stage in China.

Company	Product	Stage	Approval time[1]	Vascular Approach[2]	Expanding Mechanism[3]	Leaflet Material[4]	Profile	Retrievability	Outer Sealing Skirt	Motorized Handle	Price[5] RMB
MicroPort	VitaFlow™	Commercialized	2019.7	TF	SE	BP	16F,18F	×	√	√	196,000
	VitaFlow™ II	Registration in progress	NA	TF	SE	BP	NA	√	√	√	NA
启明医疗	VenusA-Valve	Commercialized	2017.4	TF	SE	PP	16F,18F 19F,20F	×	×	×	248,000
	VenusA-Plus	Approved	2020.11	TF	SE	PP	NA	√	×	×	NA[6]
苏州杰成医疗	J-Valve	Commercialized	2017.4	TA	SE	PP	NA	×	×	×	260,000
Edwards	SAPIEN 3	Commercialized	2020.6	TF	BE	BP	14F,16F	×	√	×	Approximately 380,000
PEIJIA	TaurusOne	Registration in progress	NA	TF	SE	BP	18F	×	√	×	NA
	TaurusElite	Clinical trial	NA	TF	SE	BP	NA	√	√	×	NA

Notes:

1. The actual approval time is based on the NMPA announcements.
2. TF refers to transfemoral approach. TA refers to transapical approach.
3. SE refers to self-expanding mechanism. BE refers to balloon-expandable mechanism.
4. BP refers to bovine pericardium. PP refers to porcine pericardium.
5. The prices of VenusA-Valve, J-Valve and VitaFlow™ set forth herein are provided by Frost & Sullivan, based on the public wholesale tender prices of the relevant products in China as of the Latest Practicable Date. The prices of such products may be subject to changes, over which we do not have control. The price of SAPIEN 3 is mainly based on its global pricing and public information.
6. As VenusA-Plus has recently been approved by the NMPA in November 2020, as of the Latest Practicable Date the price of VenusA-Plus was not publicly available.

As of the Latest Practicable Date, reimbursements for TAVI procedures in China varied among provinces and even hospitals in the same province depending on whether TAVI procedures can be categorized as heart valve replacement procedure. In certain provinces or cities, TAVI procedures are categorized as heart valve replacement procedures, thus have been partially accredited into the local reimbursement drug scheme. As of the Latest Practicable Date, none of the products listed above had been admitted into the medical insurance reimbursement list in China.

According to Frost & Sullivan, China's TAVI market is significantly under-penetrated as compared to TAVI market in developed countries. It is expected China's TAVI market will experience rapid growth, increasing from RMB392.0 million in 2019 to RMB5,055.7 million in 2025 at a CAGR of 53.1%. With our comprehensive offering of in-house developed TAVI products and complementary TAVI procedural accessories, we believe we are well-positioned to gain market share in China's TAVI market and to further benefit in the significantly under-penetrated market. For details, see "Industry Overview" and "Business."

Overseas Market

As of the Latest Practicable Date, there were over ten TAVI products that obtained CE Mark. Currently, commercialized TAVI products in Europe are mainly manufactured by international medical device companies, such as Edwards Lifesciences, Medtronic, Boston Scientific and Abbott. According to Frost & Sullivan, VitaFlow™ II was the only product with a motorized delivery system - and the only TAVI product developed in China among all the TAVI products under clinical trial or commercialization in Europe as of the Latest Practicable Date. As of the Latest Practicable Date, TAVI procedures were reimbursable in certain countries in Europe. The following table illustrated major TAVI products under clinical trial or commercialization in Europe as of the Latest Practicable Date.

	Edwards Lifesciences				Medtronic			Boston Scientific	Abbott	bluesail	BIOTRONIK	MicroPort	
Product	**SAPIEN**	**SAPIEN XT**	**SAPIEN 3**	**SAPIEN 3 Ultra**	**Core Valve**	**Evolut R**	**Evolut Pro**	**Lotus Edge**	**ACURATE neo**	**Portico**	**Allegra**	**Biovalve**	**VitaFlow™ II**
													
Stage	**Commercialized**											Clinical Trial	Clinical Trial
Approval Time (CE Mark)	2007	2010	2014	2018	2011	2014	2017	2016	2014	2012	2017	-	-
Expanding Mechanism[1]	BE	BE	BE	BE	SE	SE	SE	ME	SE	SE	SE	SE	SE
Leaflet Material[2]	BP	BP	BP	BP	PP	PP	PP	BP	PP	BP	BP	PP	BP
Vascular Approach[3]	TF/TA	TF/TA	TF/TA	TF	TF	TF	TF	TF	TF/TA	TF	TF	TF	TF
Retrievability	-	-	-	-	-	+	+	+	-	+	+	-	+
Motorized Handle	-	-	-	-	-	-	-	-	-	-	-	-	+

Notes:

1. BE refers to balloon-expandable mechanism. SE refers to self-expanding mechanism. ME refers to mechanically-expanding mechanism.
2. BP refers to bovine pericardium. PP refers to porcine pericardium.
3. TF refers to transfemoral approach. TA refers to transapical approach.

In 2019, over 80.0% of the global TAVI procedures were completed in developed countries, including the United States and Japan, with nearly one eligible patient in every five on average having received TAVI treatment in the same year. In contrast, the penetration rate in China was only 0.3% in 2019. It is expected that China will experience the highest growth rate with respect to the number of TAVI procedures in the future, with a CAGR of 60.7% from 2019 to 2025. In addition, other developing countries excluding China are also expected to experience rapid growth with respect to the number of TAVI procedures in the future, increasing at a CAGR of 22.5% from 2019 to 2025.

For details, see "Business – Our Product Portfolio" and "Industry Overview."

COMPETITIVE STRENGTHS

We believe that the following are our competitive strengths and investment highlights:

- medical device company in China focusing on transcatheter valve therapy technology, offering innovative TAVI solution;
- next-generation TAVI solutions under development, with a clear roadmap to penetrate international markets;
- strategically targeting the most prevalent mitral valve disease;
- proven commercialization capability with rapid penetration into hospitals in China, supported by collaboration with KOLs;
- medical device platform to provide innovative treatment solutions; and
- experienced management team with international expertise and commitment to valvular heart diseases and strong shareholder support with trusted brand name of "MicroPort."

BUSINESS STRATEGIES

We intend to capitalize on our strengths to pursue a business strategy in the following aspects:

- continue to strengthen our presence in China's TAVI market;
- continue to advance our international strategy;
- rapidly advance our TMV pipeline and other product candidates; and
- improve operational efficiency and achieve economies of scale to support our long-term growth.

RESEARCH AND DEVELOPMENT

R&D is crucial to our growth. We have built a core R&D team with key technology expertise in areas including, among others, biological material, suturing technique, structure design and processing technique. Our R&D team is divided into three R&D groups, namely the frame group, the valve group and the delivery system group. Each group focuses on the research and development of new technology and materials related to that group that has the potential to be applied to our product portfolio. For the design and development of a pipeline product, we established a project team which consists of members from each R&D group. The project team will hold regular meetings to discuss R&D progress in each group, the latest market trends as well as detailed analysis of similar products manufactured by our competitors. We believe this working mechanism enables each R&D group to closely follow and meet our in-house R&D needs as well as the market trends while separately focus on the R&D of their respective fields. Through this working mechanism, we have been able to develop innovative designs for each of the valve tissue, PET skirt, frame and handle in VitaFlow™. We also have an international scientific advisory board, consisting of global leading scientists and physicians in the cardiovascular field, namely Dr. Nicolo Piazza, Dr. Thomas Modine and Dr. Darren Mylotte, who share their abundant experiences with and insights on the latest technology breakthroughs and latest trends in the treatment of valvular heart diseases worldwide.

In line with industry practice, during the Track Record Period, we engaged industry leading CROs and SMOs, to provide certain supporting duties for the clinical trials for our TAVI products in China and overseas. These services include preparation of ethical committee applications, assistance in revision of the study protocol and design, management and monitoring of the implementation of clinical trials, collection and record-keeping of patients' information, preparation of progress report as well as scheduling patients' follow-up evaluations, among others. For details, see "Business—Our Platform—Clinical Trial."

As of the Latest Practicable Date, we owned 98 patents in China, including 23 invention patents, 68 utility models and seven industry designs. As of the same date, we also had 82 pending patent applications in China, including 72 invention patents and 10 utility models. To facilitate our strategy to enter overseas market, we also owned 55 patents in UK, Italy, Germany, France, Spain, America, Korea, Australia and Brazil, among others. All of the patents that we owned or applied for are related to technologies in relation to our product or product candidates and are self-developed by our in-house R&D team. In particular, as of the same date, we owned eight patents and three patent applications in relation to our Core Product, VitaFlow™ II and our first commercialized TAVI product, VitaFlow™. In addition, as of the Latest Practicable Date, the European Patent Office had received an opposition filed by a third party with respect to one of our patent relating to our TAVI products. Please see "Business—Intellectual Property" for details.

MANUFACTURING

We commenced commercial manufacturing of VitaFlow™ shortly after we received the NMPA marketing approval in July 2019. As of the Latest Practicable Date, we had two manufacturing facilities in Shanghai in compliance with the GMP standard, namely the Nanhui Facility and the Zhangjiang Facility, with a total GFA of approximately 3,863.8 square meters. We lease the Nanhui Facility from an Independent Third Party and the Zhangjiang Facility from MicroPort Group. As of the Latest Practicable Date, Zhangjiang Facility was primarily used for research and development of our pipeline products and Nanhui Facility was primarily used for commercial production of VitaFlow™. We have engaged a third party to construct a new manufacturing facility in Shanghai with a total GFA of approximately 13,000 square meters. We expect that the new manufacturing facility will commence production in 2022, which will significantly enhance our production capacity.

SALES AND CUSTOMERS

We started to sell VitaFlow™ in August 2019, following obtaining the NMPA marketing approval. As of July 31, 2020, we had sold 872 units of VitaFlow™ in China. In line with the industry norm, we adopt a distributorship model and we do not sell our products directly to hospitals. During the Track Record Period and up to the Latest Practicable Date, all of our marketed products were sold through distributors. As of the July 31, 2020, we had 19 distributors. By operating a distributor network, we are able to expand hospital coverage and promote our products to a larger hospital group in a cost-effective manner, while we focus on research and development activities. We also adopt robust measures and selection criteria to manage the anti-bribery and anti-corruption risks involved with our distributors. For details, see "Business—Customers—Selection of Distributors" and "Business—Risk Management and Internal Control."

We generally sell our products at ex-factory prices to our distributors in China. We take into account a number of factors in determining our ex-factory prices, which primarily include our costs

and expenses, historical procurement amount from the distributor and hospital coverage of the distributor. Currently there is generally no special tender or bidding process or price guidance set on TAVI procedures and related products for enterprises by the PRC government and our sales efforts primarily focus on obtaining provincial settlement code at each provinces in China, which will enable us to sell our products at hospitals in such provinces. As of the Latest Practicable Date, TAVI procedures using VitaFlow™ had been performed at over 145 hospitals.

In addition, with respect to our overseas strategies, we plan to engage local agents or distributors to assist us to access local markets. We normally select local distributors or agents based on their relevant experiences in the territory, especially whether they have access to eligible hospitals for TAVI procedures. As of the Latest Practicable Date, we had engaged a local distributor in Argentina and we plan to commence sales to this Argentine distributor in 2021. Pursuant to the distribution agreement we entered into with this local distributor, the local distributor is engaged as our exclusive distributor for VitaFlow™ in Argentina. The local distributor is obliged not to distribute any product similar or equivalent to VitaFlow™. The agreement also sets out a fixed purchase price and the minimum purchase amount for the distributor. Under the distribution agreement, we will be responsible for product manufacturing and product delivery to Argentina. The local distributor is obliged to, at its own expense and consistent with our sales policies, conduct marketing activities in Argentina, including keeping regular contact with local hospitals. The local distributor shall also submit quarterly market research information to us, which will set out the competition landscape and latest market trends in Argentina. The distribution agreement has a term of three years. Our sales and marketing team will provide training to the Argentine distributors and may also provide trainings to hospitals in Argentina if necessary. We plan to engage one local distributor for each overseas jurisdiction we plan to enter on similar commercial terms with the one in Argentina if these terms are achievable.

The following table sets forth the components of our revenue, sales volume and average selling price for the periods indicated.

	For the year ended December 31,		For the seven months ended July 31,	
	2018	2019	2019	2020
	(RMB in thousands)			
VitaFlow™				
Revenue	—	21,502	—	48,440
Sales volume (units)	—	271	—	601
Average selling price (per unit)	—	79.3	—	80.6

During the Track Record Period, all of our revenue was derived from the sale of our VitaFlow™, which was commercialized in China in August 2019. In 2018, 2019 and the seven months ended July 31, 2020, the aggregate sales to our five largest customers were nil, RMB14.9 million and RMB28.2 million, representing nil, 69.4% and 58.2% of our total revenue, respectively. Sales to the largest customer in 2018, 2019 and the seven months ended July 31, 2020 were nil, RMB5.8 million and RMB10.6 million, representing nil, 27.1% and 21.8% of our total revenue, respectively. All of our five largest customers during the Track Record Period were our distributors, who are Independent Third Parties.

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of suppliers of raw materials for the manufacturing of VitaFlow™ and our R&D activities, machines and equipment. In 2018, 2019 and the seven months ended July 31, 2020, purchases from our five largest suppliers amounted to RMB45.6 million, RMB63.7 million and RMB37.9 million, accounting for 51.8%, 42.1% and 47.9% of our total purchases, respectively, and purchases from our largest supplier amounted to RMB24.8 million, RMB23.9 million and RMB13.8 million, accounting for 28.2%, 15.8% and 17.5% of our total purchases for the same period, respectively. Except for the MicroPort Group, all of our five largest suppliers during the Track Record Period are Independent Third Parties.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, MicroPort, through its wholly-owned subsidiary Shanghai MicroPort, was indirectly interested in approximately 49.92% of the total issued share capital of our Company. Immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon the exercise of share options under the Share Option Scheme), (i) MicroPort will have an indirect interest, through Shanghai MicroPort, in approximately 45.59% of the total issued share capital of our Company; (ii) our Company will remain as an indirectly non-wholly owned subsidiary of MicroPort; and (iii) Shanghai MicroPort and MicroPort will continue to be the Controlling Shareholders of our Company. There is a clear delineation between the business of the Retained MicroPort Group and our business. We focus on the R&D, manufacturing and commercialization of transcatheter and surgical solutions for valvular heart diseases. The business of the Retained MicroPort Group focuses on different types of medical devices that are of a different nature and have different applications from that of our business. Although the Retained MicroPort Group also engages in businesses that focus on the treatment of heart related diseases, the products and services of such businesses of the Retained MicroPort Group and the business of our Group are designed to treat different types of heart related diseases and are different in nature in terms of the technical requirements, treatment of diseases and applications. They are not interchangeable nor can they be replaced by each other. None of the products or R&D focus areas of the Retained MicroPort Group is related to valvular heart diseases. For details, see "Relationship with Our Controlling Shareholders" of this prospectus.

Our Group has entered into and will continue to engage in certain transactions with the Retained MicroPort Group, which will constitute continuing connected transactions upon Listing. For details, see "Connected Transactions" of this prospectus.

THE SPIN-OFF

The Listing constitutes a spin-off of our Company by MicroPort under Practice Note 15 of the Listing Rules (the "**Practice Note 15**"). The proposal in relation to the Spin-off was submitted by MicroPort to the Stock Exchange for approval pursuant to Practice Note 15 of the Listing Rules, and the Stock Exchange has confirmed that MicroPort may proceed with the Spin-off.

MicroPort considers that the spin-off and separate listing of our Group will be commercially beneficial to MicroPort, our Company and our Shareholders as a whole. For details, please see "History, Development and Corporate Structure—Spin-off of Our Group from MicroPort."

PRE-IPO INVESTMENTS

Since the establishment of our Company, we have had several rounds of Pre-IPO Investments. For further details regarding the key terms of these Pre-IPO Investments, see "History, Development and Corporate Structure—The Pre-IPO Investments." Our broad and diverse base of Pre-IPO Investors includes Sophisticated Investors, such as dedicated healthcare funds and biotech funds as well as established funds with a focus on investments in the healthcare sector. For further details of the identity and background of the Pre-IPO Investors, see "History, Development and Corporate Structure—The Pre-IPO Investments—Background Information about the Pre-IPO Investors." Each existing Shareholder, including our Pre-IPO Investors, agrees and undertakes to our Company that, subject to the terms and conditions set out in the Shareholders Agreement, without the prior written consent of our Company, it will not, whether directly or indirectly, at any time during the period of six (6) months commencing from the Listing Date, directly or indirectly dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any Shares of our Company. As a result, a listing on the Hong Kong Stock Exchange does not guarantee that an active and liquid trading market for our Shares will develop, especially during the period when a significant portion of our Shares are subject to lock-up undertakings, or if it does develop, that it will be sustained following the Global Offering, or that the market price of the Shares will rise following the Global Offering. For details, see "Risk Factors—Risks Relating to Global Offering—No public market currently exists for our Shares, and an active trading market for our Shares may not develop and the market price for our Shares may decline or became volatile, especially taking into account that all of our existing Shareholders have entered into a lock-up undertaking for six months after Listing."

SHARE OPTION SCHEME

In recognition of the contributions of persons who have contributed or will contribute to the development of our Group and to incentivize them to further promote our development, our Company adopted the Share Option Scheme on March 13, 2020. For details and principal terms of the Share Option Scheme, see "Appendix IV—Statutory and General Information—D. Share Option Scheme" to this prospectus.

SUMMARY OF KEY FINANCIAL INFORMATION

The summary of historical financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this prospectus, as well as the information set forth in "Financial Information" of this prospectus. Our financial information was prepared in accordance with HKFRSs.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	For the year ended December 31,		For the seven months ended July 31,	
	2018	2019	2019	2020
	(RMB in thousands)		(unaudited)	
Revenue	–	21,502	–	48,440
Cost of sales	–	(15,200)	–	(27,455)
Gross profit	–	6,302	–	20,985
Other net income/(loss)	972	5,064	434	(1,518)
Research and development costs	(44,746)	(96,701)	(51,724)	(38,185)
Distribution costs	(9,381)	(26,105)	(12,610)	(23,088)
Administrative expenses	(6,097)	(10,853)	(6,302)	(34,577)
Fair value changes in financial instruments	–	(8,649)	(11,264)	(28,107)
Other operating costs	(12)	(1,057)	–	(17,657)
Loss from operations	(59,264)	(131,999)	(81,466)	(122,147)
Finance costs	(999)	(12,523)	(2,033)	(70,481)
Loss before taxation	(60,263)	(144,522)	(83,499)	(192,628)
Income tax	–	–	–	–
Loss for the year/period	(60,263)	(144,522)	(83,499)	(192,628)

We have not been profitable and incurred net losses during the Track Record Period. Our net losses during the Track Record Period were mainly attributable to the significant research and development costs. In addition, our net losses were also attributable to our other operating costs, such as distribution costs, administrative expenses, and fair value changes in financial instruments. We expect to continue to incur net losses in the near future as we further our research and development efforts, continue the development of, seek regulatory approval for, and commercialize our pipeline products. For the years ended December 31, 2018 and 2019 and the seven months ended July 31, 2019 and 2020, the research and development expenditures (including capitalized development costs and research and development costs recognized in profit or loss) incurred for VitaFlow™ II, our Core Product, were RMB46.1 million, RMB52.9 million, RMB40.8 million and RMB15.7 million, respectively, accounting for 41.6%, 40.5%, 50.1% and 31.0% of our total research and development expenditures, respectively, during the same period. For details, see "Financial Information—Discussion of Certain Items in the Consolidated Statements of Profit or Loss."

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statement of financial position as of the date indicated:

	As of December 31,		As of July 31,
	2018	2019	2020
	(RMB in thousands)		
Non-current assets	324,784	362,171	362,807
Current assets	77,346	183,729	801,647
Current liabilities	115,212	387,741	1,367,917
Net current liabilities	37,866	204,012	566,270
Non-current liabilities	13,539	26,315	24,732
Net assets/(liabilities)	273,379	131,844	(228,195)

We had net current liabilities during the Track Record Period. As of December 31, 2018, we recorded net current liabilities of RMB37.9 million, primarily due to the large amount of trade and other payables, mainly representing the loans and interests due to related parties. As of December 31, 2019, we recorded net current liabilities of RMB204.0 million, primarily due to the large amount of other financial liabilities, representing the Series C Preferred Shares we issued in 2019. As of July 31, 2020, we recorded net current liabilities of RMB566.3 million, primarily due to the large amount of other financial liabilities, representing the Series C Preferred Shares and Series D Preferred Shares we issued in 2019 and 2020, respectively.

Our net assets decreased from RMB273.4 million as of December 31, 2018 to RMB131.8 million as of December 31, 2019, primarily due to the net losses recognized which resulted in the decrease in equity. Furthermore, we recorded other financial liabilities of RMB321.6 million, representing the Series C Preferred Shares we issued in 2019. In addition, we recorded net liabilities of RMB228.2 million as of July 31, 2020, primarily due to the accounting treatment for Series C Preferred Shares and Series D Preferred Shares, which were classified as other financial liabilities in the aggregated amount of RMB1,290.3 million in accordance with HKFRSs.

The Series C Preferred Shares and Series D Preferred Shares will automatically convert into Shares upon Listing, at which time we expect to reclassify them from liabilities to equity and, accordingly, turn into net current asset position and net asset position. For risks relating to our Preferred Shares, see "Risk Factors—Risks Relating to Our Financial Position and Need for Additional Capital—We had net current liabilities and net liabilities during the Track Record Period. We cannot assure you that we will not experience net current liabilities or net liabilities in the future, which could expose us to liquidity risks."

Summary of Consolidated Statements of Cash Flow

	For the year ended December 31,		For the seven months ended July 31,
	2018	2019	2020
	(RMB in thousands)		
Cash flows from operating activities before movement in working capital	(55,614)	(112,081)	(49,552)
Changes in working capital	(14,604)	(30,656)	(26,125)
Net cash used in operating activities	(70,218)	(142,737)	(75,677)
Net cash used in investing activities	(140,914)	(55,669)	(17,644)
Net cash generated from financing activities	171,664	263,159	679,174
Net (decrease)/increase in cash and cash equivalents	(39,468)	64,753	585,853
Cash and cash equivalent at the beginning of the year/period	89,886	50,418	109,263
Effect of foreign exchange rate changes	–	(5,908)	3,050
Cash and cash equivalents at the end of the year/period	50,418	109,263	698,166

We had net operating cash outflows of RMB70.2 million, RMB142.7 million, and RMB75.7 million for the years ended December 31, 2018 and 2019 and seven months ended July 31, 2020, respectively. Such net operating cash outflows were primarily due to the significant research and development costs we incurred during the Track Record Period without generating substantial revenue from our commercialized product, for which we commenced sales in August 2019. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As our business develops and expands, we expect to generate more net cash from our operating activities, through increasing sales revenue of the existing commercialized product. In view of our net current liabilities position and net operating cash outflows throughout the Track Record Period, we plan to improve such position by (i) further increase our sales of VitaFlow™; (ii) rapidly advancing our late-stage pipeline products towards commercialization to generate revenue from product sales; (iii) adopting comprehensive measures to effectively control our cost and operating expenses, primarily including research and development costs and administrative expenses; (iv) enhancing working capital management efficiency; (v) successfully launching the Global Offering to obtain the proceeds; and (vi) seeking additional funding through public or private offerings, debt financing, collaboration and licensing arrangements or other sources, if needed. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of our bank balances and cash, bank borrowings and net proceeds from the Global Offering. As of July 31, 2020, we had cash and cash equivalents of RMB698.2 million.

The Directors are of the opinion that, taking into account the financial resources available to our Group, including cash and cash equivalents, internally generated funds and the estimated net proceeds from the Listing, we have sufficient working capital to cover at least 125% of our costs, including research and development costs, distribution costs, administrative expenses, and other operating costs, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to our average monthly (i) net cash used in operating activities; (ii) capital expenditures; and (iii) lease payments. Assuming that the average cash burn rate going forward of approximately 1.7 times the level in 2019 (which is primarily based on the difference between the average monthly burn rate in 2019 and the prospective burn rate based on the average

monthly net cash used in operating activities, capital expenditure and lease payments in 2020 and 2021), we estimate that our cash and cash equivalents as of November 30, 2020, the latest practicable date for the purpose of the indebtedness statement, will be able to maintain our financial viability for approximately 23.4 months or, if we also take into account the estimated net proceeds (based on the low-end of the indicative Offer Price) from the Listing, for at least five years. We will continue to monitor our working capital closely and expect to raise our next round of financing, if needed, with a minimum buffer of 12 months.

KEY FINANCIAL RATIOS[(1)]

The following table sets forth the components of our key financial ratios as of the dates indicated.

	As of December 31,		As of July 31,
	2018	2019	2020
Current ratio	0.67	0.47	0.59
Quick ratio	0.52	0.35	0.53

(1) For more information on our key financial ratios, see "Financial Information—Key Financial Ratios."

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$2,247.5 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$11.65 per Share, which is the mid-point of the indicative Offer Price range stated in this prospectus.

We intend to apply these net proceeds for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- 30.0%, or approximately HK$674.2 million, will be allocated to our Core Product VitaFlow™ II, including:
  - 15.6% of the net proceeds, or approximately HK$350.6 million, will be used for the ongoing R&D activities, clinical trial, product registration and post-marketing clinical study of VitaFlow™ II in China, Europe and other emerging markets; and
  - 14.4% of the net proceeds, or approximately HK$323.6 million, will be used for the ongoing sales and marketing activities of VitaFlow™ II in China and overseas
- 3.4%, or approximately HK$76.4 million of the net proceeds will be allocated to our first commercialized TAVI product, VitaFlow™;
- 27.0%, or approximately HK$606.8 million, will be allocated to the remaining products in our current product pipeline;
- 15.0%, or approximately HK$337.1 million, will be used to fund the expansion of our portfolio through collaboration with global enablers, including medical device companies and research institutes through merger and acquisition, in-licensing arrangements or equity investments, among others;

- 14.6%, or approximately HK$328.1 million will be used to expand our production capacity and strengthen our manufacturing capabilities for VitaFlow™ and VitaFlow™ II; and
- 10.0%, or approximately HK$224.7 million, will be allocated for our working capital and general corporate purposes.

See "Future Plans and Use of Proceeds" for details.

LOSS ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2020

We have prepared the following loss estimate for the year ended December 31, 2020.

Estimated consolidated loss attributable to equity shareholders of the Company for the year ended December 31, 2020[1]	No more than RMB400.0 million

(1) The basis on which the above estimate has been prepared is set out in Appendix IIB in this prospectus. Our Directors have prepared the estimated consolidated loss attributable to equity shareholders of the Company for the year ended December 31, 2020 based on (i) the audited consolidated results of our Group for the seven months ended July 31, 2020 and (ii) the unaudited consolidated results based on the management accounts of our Group for the five months ended December 31, 2020.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that: (i) the Global Offering is completed and 205,620,000 Offer Shares are issued and sold in the Global Offering; (ii) the Over-allotment Option and the options under the Share Option Scheme are not exercised; and (iii) 2,366,167,020 Shares are in issue upon completion of the Global Offering:

	Based on an Offer price of HK$11.10 per Share	**Based on an Offer price of HK$12.20 per Share**
Market capitalization of our Shares[1]	HK$26,264.5 million	HK$28,867.2 million
Unaudited pro forma adjusted net tangible assets per Share[2]	HK$1.35	HK$1.44

(1) The calculation of the market capitalization of our Shares is based on the assumption that 2,366,167,020 Shares will be in issue and outstanding immediately following the completion of the Global Offering.

(2) The unaudited pro forma adjusted net tangible assets per Share is calculated on the basis that 2,366,167,020 Shares were in issue assuming that the Global Offering and the Share Subdivision had been completed on July 31, 2020 (including completion of the conversion of Series B Preferred Shares, Series C Preferred Shares and Series D Preferred Shares into ordinary shares of our Company) without taking into account of any Shares which may be issued upon exercise of the Over-allotment Option. The unaudited pro forma adjusted net tangible assets per Share is converted into Hong Kong dollars at an exchange rate of HK$1.00 to RMB0.83363 prevailing on January 15, 2021 published by the PBOC for foreign exchange transactions.

DIVIDENDS

We did not declare or pay any dividend during the Track Record Period. Any future declarations and payments of dividends will be at the absolute discretion of our Board subject to the approval by the general meeting. There can be no assurance that we will be able to declare or distribute any dividend in the amount set out in any plan of the Board or at all. Currently, we do not have any dividend policy or intention to declare or pay any dividends in the near future. As advised by our Cayman Islands counsel, under the Companies Act and the Memorandum and Articles, the Company

may declare and pay a dividend out of either profits or share premium account, provided always that in no circumstances may a dividend be declared or paid if such payment would result in the Company being unable to pay its debts as they fall due in the ordinary course of business. Investors should not purchase our Shares with the expectation of receiving cash dividends. See "Financial Information—Dividend."

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately RMB123.4 million (including underwriting commission), of which approximately RMB49.1 million is expected to be charged to our consolidated statements of profit or loss and approximately RMB74.3 million is expected to be accounted for as a deduction from equity upon the Listing. Our listing expenses as a percentage of gross proceeds is 6.2%, assuming an Offer Price of HK$11.65 per Share, (being the mid-point of the indicative Offer Price range stated in this prospectus) and assuming that the Over-allotment Option is not exercised. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate. Our Directors do not expect such listing expenses to have a material adverse impact on our results of operations for the year ended December 31, 2020.

IMPACT OF THE COVID-19 PANDEMIC

Since early 2020, a growing number of countries and regions around the world have experienced an outbreak of the novel coronavirus (COVID-19), a highly contagious disease known to cause respiratory illness. Significant rises in COVID-19 cases have been reported since then, causing governments around the world to implement unprecedented measures such as city lockdowns, travel restrictions, quarantines and business shutdown. The spread of COVID-19 continues to affect China and Europe, where we conduct substantially all of our business and engage in preclinical studies and clinical trials, as well as certain other countries and regions that are part of our supply chain.

To protect our employees, we required all of our employees to work remotely in late January and February 2020. We officially resumed normal on-site operations, including our in-house R&D and commercialization activities in March 2020. As such, the COVID-19 outbreak had a material impact on our business operations and results of operations during the first quarter of 2020. Our revenue for the seven months ended July 31, 2020 has been significantly affected by the COVID-19 pandemic as sales of our TAVI product has decreased, especially in February and March 2020, primarily because of temporary decreases in the hospital treatment rate of patients with aortic stenosis as many avoided going to hospitals. During the first quarter of 2020, our monthly average sales volume decreased by over 20% as compared to that in the fourth quarter of 2019. Sales gradually bounced back since April 2020. During the four months from April to July 2020, our monthly average sales volume increased by over 100% as compared to that during the first quarter of 2020. We expect that the effect of the COVID-19 pandemic on our business to be relatively limited in the next few years, considering that:

- The number of daily new infections and suspected COVID-19 cases in China has declined substantially since mid-February, and mass lockdown measures in low-risk cities were lifted in early March, according to Frost & Sullivan. Social distancing measures have been gradually lifted and hospitals have gradually resumed full services. As a result, the hospital treatment rate of our addressable patient population increased and resumed to normal

levels. In turn, the demand for our marketed products has gradually recovered. Frost & Sullivan expects that the demand and growth of the TAVI market in China, will not be materially affected by the COVID-19 pandemic in the rest of 2020.

- With respect to our clinical trial of VitaFlow™ II in China, we completed TAVI procedures on all the patients enrolled for the Registration Clinical Trial as of March 2019. As a result, the 30-day evaluation in relation to the Registration Clinical Trial had been completed before the COVID-19 outbreak. The NMPA confirmed with us that they have no objection if we apply for the NMPA marketing approval of VitaFlow™ II based on the clinical trial outcome from the Registration Clinical Trial. As such, we have taken into account the COVID-19 outbreak with respect to our expected development progress and timeline of VitaFlow™ II in China. In October 2020, we submitted the registration material for VitaFlow™ II to the NMPA which was accepted in November 2020 and is currently under review.

- With respect to our clinical trial in Europe, patient enrollment has been temporarily suspended since February 2020. As of the Latest Practicable Date, none of the clinical sites had resumed clinical trials. We expect this situation to continue to improve with the containment of the COVID-19 pandemic and do not expect it to have any material long-term impact on VitaFlow™ II's ongoing clinical trial in Europe. We are actively discussing with each clinical site and the CRO we engaged for the clinical trial to understand the latest status in Europe. We are also conducting follow-up evaluations for the patients that have been enrolled in the clinical trial and had completed TAVI procedures. Nevertheless, as an industrial norm, the EMA will take into consideration clinical trial data obtained in other countries that are obtained in clinical trials in accordance with international guidelines as supporting data for CE Mark registration. We plan to use the clinical data from the one year follow-up evaluations of Registration Clinical Trial and the patients that have already been enrolled in the clinical trial in Europe for VitaFlow™ II's CE Mark registration. As of the Latest Practicable Date, we had completed TAVI procedures with VitaFlow™ II on all of these patients and therefore the expected development progress of VitaFlow™ II in Europe will not be materially and adversely affected by the COVID-19 pandemic and it has taken into account the COVID-19 outbreak.

- The COVID-19 pandemic did not have a material effect on the registration of VitaFlow™ in emerging markets, including Argentina, Russia and Thailand. As VitaFlow™ is not required to complete local clinical trials in these countries, the registration progress of these countries were not materially affected by the COVID-19 pandemic and we successfully registered VitaFlow™ in Argentina and Thailand in July 2020 and November 2020, respectively. As of the Latest Practicable Date, we were in the preparation for registration of VitaFlow™ in Russia and we will submit the registration materials in the next two years.

- The COVID-19 pandemic did not have a material effect on our manufacturing activities. In the first quarter of 2020, we temporarily experienced a decrease in our production capacity due to the implementation of social distancing measures and resumed normal

manufacturing operations in March with protective measures in place. Since April 2020, we have resumed normal manufacturing level, which are sufficient to support our ongoing R&D and commercialization activities.

- The COVID-19 pandemic did not have a material effect on our inventory levels and supply chain. Our inventory levels were generally sufficient to support our operations. In light of the COVID-19 pandemic, we kept a slightly higher inventory level in 2020 and we had not experienced any shortage of raw materials that had a material and adverse impact on our operations. Despite minor delays in logistics and the temporarily insignificant increase in logistics expenses, especially international shipments, we have been able to manage our supply chain and ensure a decent level of raw material and finished products inventory. Our major suppliers, including suppliers for bovine pericardium, have been able to deliver shipments on schedule.

- The COVID-19 pandemic did not have a material effect on services provided to us by third parties, in particular, CROs and SMOs. With respect to the Registration Clinical Trial, our CROs and us had arranged telephone follow-up interviews for all the patients enrolled and onsite follow-up inspections for substantially all the patients. With respect to the ongoing clinical trial in Europe, as patient enrollment has been temporarily suspended since February 2020, we did not require significant efforts from CROs and SMOs but we have kept regular communications with them with respect to the relevant clinical trial arrangements during the COVID-19 pandemic.

- The COVID-19 pandemic did not have a material effect on our product delivery. We did not experience any material delays in fulfilling product orders.

- We believe that we have sufficient cash position and other available financial resources to cover at least 125% of our costs for normal operations for at least the next 12 months from the date of this prospectus. Other than the above-mentioned negative impact on our sales in 2020, we do not expect our financial condition to be materially and adversely affected.

We have adopted measures to mitigate the impact of the COVID-19 outbreak on our business operations, financial results and prospects, and maintain a safe and hygienic working environment in our offices and manufacturing facilities. For example, after we resumed on-site operations, we have provided our staff with protective equipment (surgical masks, sanitation and sterilization supplies, and thermometers), required all staff to self-quarantine after travel or if feeling unwell, limited in-person meetings and non-essential travel, sterilized our premises daily, and monitored the health conditions of our employees.

It is uncertain when and whether COVID-19 will be contained globally. The above analysis are made by our management based on currently available information concerning COVID-19. We cannot guarantee you that the COVID-19 outbreak will not further escalate or have a material adverse effect on our results of operations, financial position or prospects. For details, see "Risk Factors—Risks Relating to Our Operations—Our business, results of operations and financial position could be adversely affected by the outbreak of COVID-19." We are constantly monitoring the COVID-19 outbreak situation as well as various regulatory and administrative measures adopted by local governments to prevent and control the pandemic. We will continue to monitor and evaluate any

impact of the COVID-19 outbreak on us and adjust our precautionary measures according to the latest developments of the outbreak.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

In September 2020, VitaFlow™ became the first TAVI product to obtain the Shanghai Basic Medical Insurance Medical Device Settlement Code ("上海市基本醫療保險儀器設備/醫療器材結算編碼"), a prerequisite for medical device to be commercially sold at substantially all the hospitals in Shanghai, according to Frost & Sullivan. To date, according to the same source, VitaFlow™ has successfully penetrated most eligible hospitals for TAVI procedures in Shanghai and we are in the process of penetrating the remaining eligible hospitals in Shanghai.

In October 2020, we submitted the registration application for VitaFlow™ II to the NMPA, which was supported by the Registration Clinical Trial results. The registration application was accepted by the NMPA in November 2020 and is currently under review. We currently expect we will complete the registration of VitaFlow™ II in China by the end of 2021. In the same month, the NMPA accepted the registration material in relation to our second-generation Alwide™ balloon catheter, which is currently under review. The second-generation Alwide™ balloon catheter is designed to provide improved compliance ability and burst pressure. In November 2020, we successfully registered VitaFlow™ in Thailand.

Our Directors confirm that, save as disclosed in this prospectus, there has been no material adverse change in our financial or trading position since July 31, 2020 (being the date on which the latest audited consolidated financial information of our Group was prepared) and up to the date of this prospectus and there is no event since July 31, 2020 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this prospectus.

In 2020, we have observed a significant sales growth of VitaFlow™ and we expect our revenue to increase significantly for the year ended December 31, 2020 as compared to 2019. However, we expect to incur significant expenses and operating losses in the near future as we further our research and development efforts, continue the development of, seek regulatory approvals for, and commercialize our pipeline products. As such, for the year ended December 31, 2020, we expect that our net loss will increase as compared to that for the year ended December 31, 2019, primarily due to (i) an increase in finance cost arising from Series C Preferred Shares and Series D Preferred Shares; (ii) an increase in other operating costs, primarily due to listing expenses in relation to the Listing and Global Offering; (iii) an increase in workforce and share-based compensation expenses; and (iv) an increase in fair value changes in financial instruments, while our revenue will not grow as quickly as our costs and expenses when we continue to ramp up sales of our product. We expect that our financial performance will fluctuate quarterly and yearly due to the development status of our pipeline products, regulatory approval timeline and commercialization of our pipeline products after approval.

RISK FACTORS

We are a biotechnology company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules. Our operations and the Global Offering involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to invest in us and/

or the value of your investment. See the section headed "Risk Factors" for details of our risk factors, which we strongly urge you to read in full before making an investment in our Shares. In any such case, the market price of our Shares could decline, and you may lose all or part of your investments. Some of the major risks we face include:

- we have incurred significant net losses since inception and expect to continue to incur losses, and may never achieve or maintain profitability. As a result, you may lose substantially all of your investment in us if our business fails;
- we have only recently begun commercializing our products and our sales currently mainly rely on one product, VitaFlow™, which may make it difficult to evaluate our future prospects. As a result, you may lose substantially all of your investment in us given the nature of biotech industry;
- we have relatively limited experience in marketing and sales of our products;
- our future growth depends substantially on the success of our pipeline products. If we are unable to successfully complete clinical development, obtain regulatory approval and commercialize our pipeline products, or experience significant delays in doing so, our business may be materially and adversely affected;
- if our products cause, or are perceived to cause, severe adverse events, our reputation, revenue and profitability could be materially and adversely affected;
- if we fail to effectively expand our overseas business, our business prospects may be adversely affected;
- our business, results of operations and financial position could be adversely affected by the outbreak of COVID-19;
- If we determine our intangible assets to be impaired, our results of operations and financial condition may be adversely affected; and
- no public market currently exists for our Shares, and an active trading market for our Shares may not develop and the market price for our Shares may decline or became volatile, especially taking into account that all of our existing Shareholders have entered into a lock-up undertaking for six months after Listing.