
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **MicroPort CardioFlow Medtech Corporation**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**MICROPORT CARDIOFLOW MEDTECH CORPORATION****微创心通医疗科技有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 2160)****PROPOSED AMENDMENT TO THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the Extraordinary General Meeting to be held on Thursday, March 17, 2022 at 10:00 a.m. at No. 1601 Zhangdong Road, Zhangjiang Hi-Tech Park, Pudong New District, Shanghai, China is set out on pages 9 to 10 of this circular. A form of proxy for use at the Extraordinary General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cardioflowmedtech.com>) respectively.

Whether or not you intend to attend the Extraordinary General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Extraordinary General Meeting (i.e. not later than 10:00 a.m. on Tuesday, March 15, 2022) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Extraordinary General Meeting if you so wish and in such event the form of proxy shall be deemed to be revoked.

References to dates and time in this circular are to Hong Kong dates and time.

February 28, 2022

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DEFINITIONS

In this circular, unless otherwise defined or the context otherwise requires, the following terms or expressions shall have the following meanings:

“Adoption Date”	March 13, 2020, the adoption date of the Share Option Scheme
“Board”	the board of Directors of the Company
“Company”	MicroPort CardioFlow Medtech Corporation 微创心通医疗科技有限公司, an exempted company with limited liability, incorporated in the Cayman Islands, the Shares of which were listed on the Main Board of the Stock Exchange on the Listing Date (stock code: 2160)
“Director(s)”	the director(s) of the Company
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held on Thursday, March 17, 2022, at 10:00 a.m. at No. 1601 Zhangdong Road, Zhangjiang Hi-Tech Park, Pudong New District, Shanghai, China, to consider and, if appropriate, to approve the resolution contained in the notice of the meeting which is set out on pages 9 to 10 of this circular, or any adjournment thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	February 22, 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“MicroPort”	MicroPort Scientific Corporation (微創醫療科學有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 00853)
“PRC” or “China”	the People’s Republic of China, but for the purpose of this circular and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all the share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company

DEFINITIONS

“Share(s)”	ordinary share(s) of US\$0.000005 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Share Option Scheme”	the share option scheme adopted by our Company on Adoption Date, as amended from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent



MICROPORT CARDIOFLOW MEDTECH CORPORATION

微创心通医疗科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2160)

February 28, 2022

Executive Directors:

Mr. Chen Guoming

Ms. Yan Luying

Mr. Wu Guojia

Non-executive Directors:

Dr. Luo Qiyi (*Chairman of the Board*)

Mr. Zhang Junjie

Ms. Wu Xia

Independent non-executive Directors:

Mr. Jonathan H. Chou

Dr. Ding Jiandong

Ms. Sun Zhixiang

Registered office:

P.O. Box 10008

Willow House, Cricket Square

Grand Cayman, KY1-1001

Cayman Islands

Head office and Principal Place of

Business in the PRC:

No. 1601 Zhangdong Road

Zhangjiang Hi-Tech Park

Pudong New District

Shanghai, PRC

Principal place of business in Hong Kong:

Room 1901, 19/F, Lee Garden One

33 Hysan Avenue, Causeway Bay

Hong Kong

To the Shareholders

Dear Sir/Madam,

**PROPOSED AMENDMENT TO THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Extraordinary General Meeting and further information in relation to, amongst others, the resolution to be proposed at the Extraordinary General Meeting on the proposed amendment to the terms of the Share Option Scheme.

LETTER FROM THE BOARD

PROPOSED AMENDMENT TO THE SCHEME MANDATE LIMIT OF THE SHARE OPTION SCHEME

The Company conditionally adopted the Share Option Scheme on March 13, 2020 by the shareholders of MicroPort (“**MicroPort Shareholders**”) to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, our Group and for such other purposes as our Board may approve from time to time. The Share Option Scheme shall remain in force for a period of 10 years commencing on March 13, 2020. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. It is expected that the Share Option Scheme will link the value of the Company with the interests of the participants (the “**Participants**”) of the Share Option Scheme, enabling the Participants and the Company to develop together and promote the Company’s corporate culture.

Pursuant to the Share Option Scheme, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not in aggregate exceed 5% of the total number of issued Shares as of the Adoption Date (i.e. a total of 98,750,000 Shares). As of the Latest Practicable Date, 98,585,556 share options (out of which 6,774,093 share options had been exercised and 8,878,260 share options had lapsed as of the Latest Practicable Date and resulting in 82,933,203 outstanding share options) had been granted and only 164,444 share options are available for grants, representing approximately 0.01% of the total issued Shares as of the Latest Practicable Date. As of the Latest Practicable Date, share options carrying rights to subscribe for 82,933,203 Shares under the Share Option Scheme remained outstanding and yet to be exercised, representing approximately 3.45% of the existing issued share capital of the Company.

In order to give the Company flexibility to grant share options to eligible participants under the Share Option Scheme as incentives and rewards for their contribution to the Group, the Board proposed to increase the existing Scheme Mandate Limit at the Extraordinary General Meeting (the “**Proposed Amendment**”). Subject to the approval of the Shareholders at the Extraordinary General Meeting and such other requirements prescribed under the Listing Rules, the existing Scheme Mandate Limit will be increased so that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not in aggregate exceed 10% of the Shares in issue at the date of approval of the increased Scheme Mandate Limit. Subject to the approval of the Shareholders at the Extraordinary General Meeting and such other requirements prescribed under the Listing Rules, the Company may further refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders at general meeting provided that:

- (a) the refreshed Scheme Mandate Limit shall not exceed 10% of the total number of Shares in issue as at the date of the Shareholders’ approval or the date of the MicroPort shareholders’ approval, whichever is later, of the refreshing of the Scheme Mandate Limit; and
- (b) options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including options outstanding, cancelled or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the Shares in issue from time to time. No share options shall be granted under any scheme(s) of the Company if this will result in the 30% limit being exceeded.

LETTER FROM THE BOARD

The Board considers it to be a suitable time to increase the Scheme Mandate Limit as the Company expects the increased need for the grant of share options to be in line with the business development of the Group and the substantial increase in the number of employees in the Group. The Company also considers the granting of share options an important part of its human resources policy. As such, the Company shall grant share options as and when the Board considers appropriate to incentivize the participants.

If the Scheme Mandate Limit is increased at the Extraordinary General Meeting, on the basis of 2,403,784,113 Shares in issue at the Latest Practicable Date and assuming that (i) the shareholders of MicroPort approve the proposed increase in the Scheme Mandate Limit before the Extraordinary General Meeting, and (ii) no Shares are issued or repurchased by the Company prior to the Extraordinary General Meeting and the date of the general meeting of MicroPort approving the Proposed Amendment, share options to subscribe for up to 240,378,411 Shares may be granted under the Share Option Scheme and any other scheme(s) of the Company, representing 10% of the Shares in issue as at date of approval of the increased Scheme Mandate Limit.

The Directors consider that it is not appropriate to state the value of all the share options that can be granted as if they had been granted as at the Latest Practicable Date prior to the date of approval of the increased Scheme Mandate Limit given that the variables which are crucial for the calculation of the value of such share options cannot be determined. These variables include, but are not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the share options, the length of the option period, any lock-up period, performance targets or other conditions, restrictions or limitations that the Board may impose with respect to the share options. The Directors believe that any calculation of the value of the share options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

The Board considers that the Proposed Amendment is in the interests of the Company and the Shareholders as it provides more flexibility for the Company to provide incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions.

The increase in the Scheme Mandate Limit of the Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders to approve the proposed refreshment of the Scheme Mandate Limit at the Extraordinary General Meeting;
- (ii) the passing of an ordinary resolution by the MicroPort Shareholders to approve the proposed refreshment of the Scheme Mandate Limit at general meeting of MicroPort; and
- (iii) the Stock Exchange granting the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as of the date of the Extraordinary General Meeting or the date of the general meeting of MicroPort approving the proposed refreshment, whichever is later, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the Scheme Mandate Limit so refreshed.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares that may fall to be issued pursuant to the exercise of any options that may be granted under the refreshed Scheme Mandate Limit.

LETTER FROM THE BOARD

Pursuant to note (2) of Rule 17.03(18) of the Listing Rules, any alterations to the terms and conditions of the Share Option Scheme which are of a material nature must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme. As the Proposed Amendment to the Share Option Scheme will not take effect automatically under the existing terms of the Share Option Scheme and are considered to be material in nature, the Proposed Amendment to the Share Option Scheme will be subject to approval by the Shareholders at the Extraordinary General Meeting. Accordingly, an ordinary resolution will be proposed at the Extraordinary General Meeting as set out in the notice convening the Extraordinary General Meeting to give effect to the proposals as described above. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution to be proposed at the Extraordinary General Meeting to approve the Proposed Amendment to the Share Option Scheme.

As of the Latest Practicable Date, the Company had no present and concrete plan to grant options under the increased Scheme Mandate Limit upon the approval of the Proposed Amendment to the Share Option Scheme.

EXTRAORDINARY GENERAL MEETING

The notice of the Extraordinary General Meeting is set out on pages 9 to 10 of this circular.

For determining the eligibility to attend and vote at the Extraordinary General Meeting, the register of members of the Company will be closed from Monday, March 14, 2022 to Thursday, March 17, 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Extraordinary General Meeting, all transfer of Shares documents, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, March 11, 2022.

PROXY ARRANGEMENT

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cardioflowmedtech.com>). Whether or not you intend to attend the Extraordinary General Meeting, you are required to complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Extraordinary General Meeting (i.e. not later than 10:00 a.m. on Tuesday, March 15, 2022) or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude you from attending and voting in person at the Extraordinary General Meeting if you so wish and in such event the form of proxy shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any resolution put to the vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the Extraordinary General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Extraordinary General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

DOCUMENTS ON DISPLAY

Copies of (i) the existing Share Option Scheme; (ii) the amended Share Option Scheme reflecting the Proposed Amendment; and (iii) this circular will be published on the websites of the Company (<http://www.cardioflowmedtech.com>) and the Stock Exchange (<http://www.hkexnews.hk>) for not less than 14 days from the date of this circular up to and including the date of the Extraordinary General Meeting.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the Proposed Amendment is in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the resolution to be proposed at the Extraordinary General Meeting.

Yours faithfully,
By order of the Board
MicroPort CardioFlow Medtech Corporation
Luo Qiyi
Chairman

The proposed form of the amendment to the Share Option Scheme upon Shareholders' approval of the Proposed Amendment, showing insertions in underline and deletions in strikethrough, is as follows:

4. MAXIMUM NUMBER OF SHARES

At the time of adoption of the Share Option Scheme or any new subsidiary share option scheme (the “**New Scheme**”), the aggregate number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, the New Scheme and all schemes existing at such time (the “**Existing Scheme(s)**”) of the Company must not in aggregate exceed ~~5%~~ 10% of the total number of Shares in issue as at ~~the date of adoption of the Subsidiary Share Option Scheme or the New Scheme (as the case may be)~~ the date of the Shareholders' approval or the date of the MicroPort shareholders' approval, whichever is later, of the increase of the original scheme mandate limit (the “**Scheme Mandate Limit**”). For the purposes of calculating the Scheme Mandate Limit, Shares which are the subject matter of any options that have already lapsed in accordance with the terms of the relevant Existing Scheme(s) shall not be counted. The Scheme Mandate Limit may be refreshed by both ordinary resolution of the Shareholders and ordinary resolution of the shareholders of MicroPort in their respective general meeting, provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed ~~5%~~ 10% of the total number of Shares in issue as at the date of the Shareholders' approval or the date of the MicroPort shareholders' approval, whichever is later, of the refreshing of the Scheme Mandate Limit;
- (b) options previously granted under any Existing Scheme(s) (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed; and
- (c) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders and MicroPort shareholders (if applicable) in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must contain the information which comply with the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

NOTICE OF EXTRAORDINARY GENERAL MEETING



MICROPORT CARDIOFLOW MEDTECH CORPORATION

微创心通医疗科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2160)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (the “**Extraordinary General Meeting**”) of MicroPort CardioFlow Medtech Corporation (the “**Company**”) will be held on Thursday, March 17, 2022 at 10:00 a.m. at No. 1601 Zhangdong Road, Zhangjiang Hi-Tech Park, Pudong New District, Shanghai, China, for the following purpose:

ORDINARY RESOLUTION

To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on March 13, 2020 (“**Share Option Scheme**”) and any other share option schemes of the Company, representing 10% of the total number of issued shares of the Company as of the date on which this resolution is passed:

- (a) approval be and is hereby granted for the proposed amendments to the terms of the Share Option Scheme, as set out in Appendix I to the circular to the shareholders of the Company dated February 28, 2022 (the “**Circular**”) and contained in the amended Share Option Scheme, a copy of which is available for inspection as detailed in the Circular and produced to this meeting marked “A” and for the purposes of identification initialed by the chairman of this meeting; and
- (b) the directors of the Company be and are hereby authorized to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

By order of the Board
MicroPort CardioFlow Medtech Corporation
Luo Qiyi
Chairman

Hong Kong, February 28, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (i) For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the Extraordinary General Meeting, the register of members of the Company will be closed from Monday, March 14, 2022 to Thursday, March 17, 2022, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, March 11, 2022.
- (ii) A shareholder entitled to attend and vote at the above Extraordinary General Meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (iii) In the case of joint holders of any Share, any one of such persons may vote at the Extraordinary General Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto. However, if more than one of such joint holders be present at the Extraordinary General Meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the Extraordinary General Meeting (i.e. not later than 10:00 a.m. on Tuesday, March 15, 2022). The completion and delivery of the form of proxy shall not preclude the shareholders from attending and voting in person at the Extraordinary General Meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (v) The resolution at the Extraordinary General Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (vi) Shareholders attending the Extraordinary General Meeting in person or by proxy shall bear their own travelling and accommodation expenses, and shall produce their identity documents.
- (vii) References to dates and time in this notice are to Hong Kong dates and time.
- (viii) The English text of this notice shall prevail over the Chinese text for the purpose of interpretation.