In addition to other information in this prospectus, investors should carefully consider the following risk factors before making any investment decision in relation to the Offer Shares, which may not be typically associated with investing in equity securities of companies from other jurisdictions. If any of the possible events described below occur, our business, financial condition and results of operation could be materially and adversely affected, and the market price of the Offer Shares could fall significantly.

RISKS RELATED TO OUR COMPANY

We have been substantially dependent on sales of our proprietary drug-eluting stents during the Track Record Period. Our business, financial condition and results of operation would be materially and adversely affected if sales of these products were to decline.

We have been dependent on Firebird, our proprietary drug-eluting stent, and Firebird 2, our second generation drug-eluting stent, for a substantial portion of our revenue during the Track Record Period. We commercially launched Firebird and Firebird 2 in July 2004 and January 2009 (with a small amount of pre-marketing sales in 2008), respectively. Since its commercial launch, Firebird 2 has replaced Firebird and become our primary product. Firebird generated approximately 89.4%, 83.7%, 5.8% and 3.0% of our revenue for the years ended December 31, 2007, 2008 and 2009 and the three months ended March 31, 2010, respectively, and Firebird 2 generated approximately 3.2%, 80.5% and 83.9% of our revenue for the years ended December 31, 2008 and 2009 and the three months ended March 31, 2010, respectively. We expect to continue to derive a substantial majority of our revenue from Firebird 2 in 2010 and 2011. Due to this revenue concentration, an investment in our Company may entail more risk than investments in companies that offer a wider variety of products and services. If we are unable to manufacture or sell Firebird 2 due to regulatory, intellectual property or other reasons, or if Firebird 2 becomes less popular either due to competition from drug-eluting stents manufactured by our competitors or because of alternative treatments or products, our revenue would significantly decline, and our business, financial condition and results of operation would be materially and adversely affected.

Our future growth is dependent upon our ability to develop new products, which requires significant research and development efforts, clinical trials and regulatory approvals, and our investment in new products may not result in any commercially viable products.

The market for drug-eluting stents and other medical devices is highly competitive, and market participants frequently modify their designs to adjust to changing market preferences and develop new designs to enhance their products and technologies. Therefore, product life cycles are relatively short. As a result, our future growth is dependent upon our ability to develop and launch new products that meet market demand and any delays in our product launches may significantly impede our ability to compete.

We expend significant resources on research and development to develop new products and improve our current product offerings. For example, we have made significant investments in the research and development of our third generation drug-eluting stent, Firehawk, and other vascular devices, as well as in our newer initiatives to develop devices for the treatment of arrhythmia, diabetes and orthopedic disorders. If we are unable to develop and launch these products as anticipated, our ability to maintain or expand our position in the markets for these products may be adversely impacted. In addition, there can be no assurance that these products will achieve technological feasibility, obtain regulatory approval or gain market acceptance.

As part of the regulatory process of obtaining approval for our new products from SFDA, we conduct and participate in numerous clinical trials with a variety of study designs, patient populations and trial endpoints. Recently, SFDA has required more extensive clinical trials, which has significantly increased the time and expense required to obtain approval. For example, the approval of our first drug-eluting stent, Firebird, involved clinical trials on approximately 100 patients and took approximately nine months. In contrast, the clinical trials

for our third generation drug-eluting stent, Firehawk, which are currently being conducted, are expected to involve approximately 1,000 patients over three stages, and if such trials are successful, we anticipate that we may be able to obtain SFDA approval within three years from the commencement of clinical trials. While this extended approval process creates barriers to entry for competitors who want to obtain approval for new products that compete with our existing product line, particularly Firebird 2, it will also significantly increase our product development costs for our newer products.

In addition, unfavorable or inconsistent clinical data from existing or future clinical trials conducted by us, by our competitors or by third parties may adversely impact our ability to obtain product approvals from SFDA. Even if we receive SFDA approval for a new product, there can be no assurance that we will obtain the requisite approvals for the price of such product or that the product will achieve commercial success. In addition, if patients are unable to obtain reimbursement from governmental or private health insurers for any new or existing product of ours, they may decide not to use that product. Failure to obtain regulatory approval or market acceptance for our new products could have a material adverse impact on our business, financial condition, results of operation and future prospects.

We might have engaged in activities that violated PRC laws or are harmful to our reputation, and these events or any non-compliance by us with applicable laws could have a material adverse impact on our business, financial condition and results of operation.

In July 2005, the former director of the Division of Medical Devices of SFDA, Mr. Hao Heping, was arrested in the PRC for asking for and receiving improper gifts and payments from several medical device manufacturers in China, including from us. In accordance with SFDA's procedures, Mr. Hao's signature was a required part of the approval process in respect of the issuance of a registration certificate for medical devices, and a few of our products, including Firebird, were initially approved by SFDA when Mr. Hao was in office. According to one of our former senior executives, he was approached by Mr. Hao in 2003 to assist in paying for certain personal expenses of Mr. Hao. This former senior executive subsequently communicated the request of Mr. Hao to Dr. Zhaohua Chang, our founder and Director and chairman of our Company, for our Company to pay for such expenses. Dr. Zhaohua Chang indirectly provided RMB220,000 in cash from his personal funds for such purpose. In addition, this former senior executive also provided to Mr. Hao RMB40,000 in 2005, which was reimbursed by us.

In November 2006, Mr. Hao was found guilty of, among other things, requesting and accepting bribes and was sentenced to 15 years in prison. Mr. Hao filed an appeal which was dismissed in March 2007 and the original ruling was affirmed. Moreover, we were previously fined RMB0.3 million by the Beijing Administration for Industry and Commerce Feng Tai Branch in June 2005 and by the Shanghai Administration for Industry and Commerce Hong Kou Branch in October 2005 for promoting our sales in the aggregate amount of approximately RMB5.9 million by paying hospital sponsor fees or illegal rebates in the aggregate amount of approximately RMB0.5 million which occurred in 2003 and 2004.

Since these events, we have taken a series of steps to identify and address deficiencies in our internal controls and established a compliance program in 2007, as discussed in "Business — Corporate governance and internal controls" in this prospectus, however, we cannot assure you that similar events will not occur in the future due to weakness in our internal controls or other factors and that Dr. Zhaohua Chang and any members of our Group will not be subject to further investigation by the relevant government authorities in the future in connection with the foregoing incidents or any future incidents which may arise. If these occur in the future, we cannot assure you that we will be able to take effective remedial measures, which could impair our ability to operate our Company, harm our reputation and materially and adversely affect our business, financial condition and results of operation.

If we fail to maintain effective internal controls, we may not be able to accurately report our financial results or prevent fraud, and our business, financial condition, results of operation and reputation could be materially and adversely affected.

We will become a public company upon completion of the Global Offering, and our internal controls will be essential to the integrity of our business and financial results. Our public reporting obligations are expected to place a strain on our management, operational and financial resources and systems in the foreseeable future. Since 2007, in order to address our internal control issues and to generally enhance our internal control and compliance environment, we have taken various measures to improve our internal controls and procedures including establishing a compliance program, adopting new policies such as a code of business conduct and new reimbursement and disbursement policies, and providing extensive and ongoing training on our controls, procedures and policies to our employees. Also, Ms. Yan Zhang, our Director and president, has been serving as our compliance officer since May 2008 with overall responsibility for implementing and enforcing our internal control and compliance program. See "Business — Corporate governance and internal controls" in this prospectus. In addition, in preparation for the Global Offering, we have implemented other measures to further enhance our internal controls, and plan to take steps to further improve our internal controls. If we encounter difficulties in improving our internal controls and management information systems, we may incur additional costs and management time in meeting our improvement goals. We cannot assure you that the measures taken to improve our financial controls will be effective. If we fail to maintain effective internal controls in the future, our business, financial condition, results of operation and reputation may be materially and adversely affected.

We have received, and may continue to receive, anonymous letters alleging misconduct by our Company or agents. Any such complaints may lead to the discovery of illegal conduct, and even if the allegations are determined to be meritless, the investigation of those allegations can be costly and significantly divert our management's attention from the operation of our business.

In May, June and July 2007, we and/or our independent auditors and external legal counsel received three anonymous complaint letters making various allegations including that our financial statements were materially incorrect and that Dr. Zhaohua Chang had caused our Company to purchase certain inferior quality raw materials at inflated prices. In each case, we and certain external advisers conducted an investigation to properly investigate and address each of the allegations made in the letters. See "Business — Legal proceedings and compliance" in this prospectus. We may receive additional complaints regarding possible misconduct by our Company or our agents, such as our distributors, in the future. If we receive additional complaints which are ultimately substantiated, we may be held liable for any illegal conduct, including becoming subject to civil, criminal or administrative actions and/or penalties or injunctions or orders with respect to future activities. Moreover, despite the best efforts of us and our advisers, an investigation may not reveal the existence or full scope of compliance problems involving our Company or agents due to the inherent limitations of such internal investigations, including the fact that we may be unable to compel third parties to provide us with requested information. Finally, even if future complaints are determined to be meritless, the investigation of allegations of misconduct can be costly and significantly divert our management's attention from the operation of our business. In any such case, our business, financial condition, results of operation and reputation could be materially and adversely affected.

Our business, prospects and brand may be harmed by actions taken by our distributors.

We sell all of our products through distributors, except for a minimal amount of TAA/AAA stent grafts which were sold directly to hospitals in 2007 and accounted for 0.2% of our revenue for that year. We have limited ability to manage the activities of our distributors, who are independent from us except for MP B.V. and a few international distributors who are affiliates of Otsuka Pharmaceutical. Our distributors could take one or

more of the following actions, any of which could have a material adverse effect on our business, prospects and brand:

- breach our agreements with them, including by selling products that compete with our products that they have contracted to sell for us or by selling our products outside their designated territory, possibly in violation of the exclusive distribution rights of other distributors;
- fail to adequately promote our products;
- fail to provide proper training and service to our end-users; or
- violate the anti-corruption laws and regulations of China, Hong Kong or other countries.

Failure to adequately manage our distribution network, or non-compliance by distributors with our distribution agreements could harm our corporate image among end users of our products and disrupt our sales, resulting in a failure to meet our sales goals. Furthermore, we could be liable for actions taken by our distributors, including any violations of applicable law in connection with the marketing or sale of our products, including anti-corruption laws and regulations of China, Hong Kong or other countries. In addition, as we have limited control over the actions of our distributors, we cannot assure you that they will not breach their agreements with us or violate relevant laws.

If our distributors violate PRC laws, Hong Kong laws or other applicable laws or otherwise engage in illegal practices with respect to their sales or marketing of our products, we could be required to pay damages or fines, which could materially and adversely affect our business, financial condition and results of operation. In addition, our brand and reputation, our sales activities or the price of our Shares could be adversely affected if our Company becomes the target of any negative publicity as a result of actions taken by our distributors.

It is also possible that the PRC government or other governmental authorities in countries where we sell our products could adopt new or different regulations affecting the way in which medical devices are sold to address anti-corruption or other concerns. Although we are not aware of any new regulations in this regard being adopted in the PRC or our other principal markets, any such new or different regulations could possibly increase the cost incurred by our distributors in selling our products or impose restrictions on their sales and marketing activities, which could in turn increase our cost if, for example, it becomes necessary for us to commence selling our products directly to hospitals. Because we currently depend entirely on distributors for the sale of our products, any misconduct by our distributors or changes in the regulatory environment for the sale of medical devices could have a material adverse impact on our business, financial condition and results of operation.

We depend on a limited number of distributors for a significant portion of our revenue. If we lose one or more of these distributors and are unable to replace them quickly, we may be unable to effectively market and sell our products, which could materially and adversely affect our business, financial condition and results of operation.

As of March 31, 2010, we sold our products to 125 distributors across China and 22 distributors overseas. We divide the China market primarily into four major geographical regions: the northern region, the eastern region, the southern region and the southwestern region. For the years ended December 31, 2007, 2008 and 2009 and the three months ended March 31, 2010, we derived approximately 62.3%, 58.7%, 54.1% and 54.6% of our revenue, respectively, from the northern region, which is covered by approximately 40% of our domestic distributors. In the years ended December 31, 2007, 2008 and 2009 and the three months ended March 31, 2010, sales to our five largest distributors accounted for 58.1%, 54.7%, 46.9% and 55.8% of our revenue, respectively. Sales to our largest distributor for the same periods accounted for 24.3%, 21.9%, 17.6% and 22.2% of our revenue, respectively. We believe that we will continue to generate a significant portion of our revenue from a limited number of distributors. We typically have one-year contracts with our distributors in China, which are renewable upon mutual agreement.

We cannot assure you that any distributor will continue to purchase our products in the same quantity as in prior years or that our relationship with any of our distributors will continue. If we lose one or more of our major distributors and are unable to replace them quickly, we may be unable to effectively market and sell our products, which could materially and adversely affect our business, financial condition and results of operation.

If we do not manage our growth effectively, our business, financial condition and results of operation may be materially and adversely affected.

Our objective is to strengthen our position as a leader in developing, manufacturing and marketing medical devices in China and over time in select international markets. Our growth strategy includes continuing to build a strong brand, broadening our product portfolio, expanding our production capacity, improving our manufacturing efficiency, pursuing selective strategic acquisitions and alliances, and expanding our international presence. The success of our growth strategy will depend on, among other things, our ability to continue to innovate and develop advanced technology in the highly competitive medical device market in China, maintain our efficient operating model, attract and retain skilled personnel who have the specialized skills needed to design, develop and manufacture medical devices, obtain and maintain regulatory approvals and effectively market our products using our network of distributors and our own sales and marketing team. However, we have limited operational, administrative and financial resources, which may be inadequate to sustain the growth we seek to achieve. In particular, in order to implement our growth strategy, we will need to increase our investment in, among other things, our research and development, manufacturing facilities, marketing and other areas of operations.

As we expand our manufacturing operations to accommodate our planned growth, we may encounter difficulties associated with managing multiple product lines, especially for products that we have not manufactured before. We may also experience problems in connection with increasing production scale, including shortages of qualified personnel to operate our equipment, assemble our products or manage manufacturing operations as well as shortages of key raw materials for our products. In addition, we may experience difficulties in producing sufficient quantities of products or in achieving desired product quality. If we are unable to successfully manage our manufacturing operations to meet our needs, we may not be able to provide hospitals with the quantity or quality of products they require in a timely manner. This could result in a decline in the sales of our products, cause us to lose market share and result in reduced revenue, all of which would have a material adverse effect on our business, financial condition and results of operation. If we are unable to manage our growth and expansion effectively, our business may be adversely affected.

Future acquisitions of businesses, products, technologies or know-how could materially and adversely affect our business, financial condition and results of operation if we fail to integrate the acquired businesses, products or technologies successfully into our existing operations or if we discover previously undisclosed liabilities.

To enhance our growth, we may acquire businesses, products, technologies or know-how that we believe would benefit us in terms of product development, technology advancement or distribution network. For example, we acquired MP Lifesciences Beijing in June 2008 to develop our insulin pump business for the treatment of diabetes. Our ability to grow through acquisitions depends upon our ability to identify, negotiate, complete and integrate suitable acquisitions and to obtain any necessary financing. Even if we complete acquisitions, as we have limited experience with significant acquisitions, we may experience:

- difficulties in integrating any acquired companies, technologies, personnel or products into our existing business, particularly integrating different quality management, customer service and other business functions;

- delays or failures in realizing the benefits of the acquired company, products or know-how, which could result from, for example, delays in governmental approvals of products developed by acquired businesses;

- diversion of our management's time and attention from other business concerns;
- higher costs of integration than we anticipated; or
- difficulties in retaining key employees of the acquired business who are necessary to manage these acquisitions.

If we invest in businesses that operate outside of China or that offer products that are different from our existing products, these risks may increase because of our limited experience in operating such businesses.

An acquisition could also materially impair our results of operation by causing us to incur debt or requiring us to amortize acquired intangible assets. We may also discover deficiencies in internal controls, data adequacy and integrity, product quality and regulatory compliance, and product liabilities in businesses we acquire which we did not uncover prior to such acquisition. As a consequence, we may become subject to penalties, lawsuits or other liabilities. Any difficulties in the integration of acquired businesses, product or technologies or unexpected penalties, lawsuits or liabilities in connection with such businesses, product or technologies could have a material adverse effect on our business, financial condition and results of operation.

Our limited operating history may make it difficult to evaluate our business, financial performance or prospects.

Although we commenced operations in May 1998, we only launched Firebird, our proprietary drug-eluting stent, in July 2004. Since then, our business has experienced significant growth. Our revenue for the years ended December 31, 2007, 2008 and 2009 was RMB421.3 million, RMB485.2 million and RMB560.7 million, respectively, representing an increase of 15.2% from 2007 to 2008 and an increase of 15.6% from 2008 to 2009. For the three months ended March 31, 2009 and 2010, we had revenue of RMB137.6 million and RMB176.7 million, respectively, representing an increase of 28.5%. Due to our limited operating history, our past results may not provide a meaningful basis for evaluating our business, financial condition, results of operation and future prospects, and we may not be able to achieve similar results or growth in future periods.

Our historical average inventory turnover days have been relatively long.

Historically, our average inventory turnover days have been relatively long. For the years ended December 31, 2007, 2008 and 2009 and the three months ended March 31, 2010, our average inventory turnover days were 304 days, 288 days, 254 days and 244 days, respectively. We generally maintain an inventory level of one-to-two month sales volume for our finished goods, three to six months supply of our work in progress and three months to one year supply of our raw materials, and such level will vary according to the demand of our distributors, sales and production plans. Relatively long inventory turnover days may result in inventory write-downs, expiration of products or increase in inventory holding costs. For example, we wrote down our inventories in the amount of RMB9.7 million in 2008 for the film or fiber used in our TAA/AAA stent grafts as we replaced such inventories with improved film or fiber in 2008. We cannot assure you that we will be able to shorten our average inventory turnover days, and such failure may have a material adverse effect on our business, financial condition and results of operation.

If third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and financial penalties and may have to redesign or discontinue selling the affected product.

The medical device industry is litigious with respect to patents and other intellectual property rights. Companies operating in our industry routinely seek patent protection for their product designs, and many of our principal competitors have large patent portfolios. Companies in the medical device industry have used intellectual property litigation to gain a competitive advantage. Whether a product infringes a patent involves an analysis of complex legal and factual issues, the determination of which is often uncertain. We face the risk of

claims that we have infringed on third parties' intellectual property rights in the countries where we operate, principally China. In addition, a number of our employees have previously worked for one or more of our competitors. There can be no assurance that such employees have not used, or will not use in the future, their previous employers' proprietary know-how or trade secrets in their work for us, which could result in litigation against us. Prior to developing major new products, we evaluate existing intellectual property rights. However, our competitors may also have filed for patent protection which is not as yet a matter of public knowledge or claim trademark rights that have not been revealed through our searches of relevant public records. Our efforts to identify and avoid infringing on third parties' intellectual property rights may not always be successful. Any claims of patent or other intellectual property infringement, even those without merit, could:

- be expensive and time consuming to defend;
- result in us being required to pay significant damages to third parties;
- cause us to cease making or selling products that incorporate the challenged intellectual property;
- require us to redesign, reengineer or rebrand our products, if feasible;
- require us to enter into royalty or licensing agreements in order to obtain the right to use a third party's intellectual property, which agreements may not be available on terms acceptable to us or at all;
- divert the attention of our management; or
- result in hospitals and physicians terminating, deferring or limiting their purchase of the affected products until resolution of the litigation.

In addition, new patents obtained by our competitors could threaten a product's continued life in the market even after it has already been introduced.

If our patents and other intellectual property rights do not adequately protect our products, we may lose market share to our competitors and be unable to operate our business profitably.

Our success depends, in part, on our ability to protect our proprietary technologies. As of the Latest Practicable Date, we had received a total of 52 patents in China, including 13 invention patents, 38 utility model patents and one design patent, and two patents in the European Union. In addition, as of the Latest Practicable Date, we had 83 patent applications pending in China and 11 patent applications pending in the United States, the European Union and Japan. We also had 25 applications for priority dates pending under the Patent Cooperation Treaty. Due to the different regulatory bodies and varying requirements in these jurisdictions, we cannot assure you that we will be able to obtain patent protection for all or any aspects of our products in all or any of these jurisdictions. The process of seeking patent protection can be lengthy and expensive, and we cannot assure you that our patent applications will result in patents being issued, or that our existing or future issued patents will be sufficient to provide us with meaningful protection or commercial advantage. We cannot assure you that our current or potential competitors, many of which have substantial resources and have made substantial investments in competing technologies, do not have, and will not obtain, patents that will prevent, limit or interfere with our ability to make, use or sell our products in either China or other countries, including the United States, the European Union and other countries in Asia.

We also rely on trade secrets, proprietary know-how and other non-patentable technology, which we seek to protect through non-disclosure agreements with employees and related parties. We cannot assure you that these non-disclosure agreements will not be breached, or that our employees have not disclosed, or will not disclose, any of our trade secrets, proprietary know-how or other non-patentable technology to our competitors or

other third parties. We also cannot assure you that we will have adequate remedies for any breach, or that our trade secrets, proprietary know-how and other non-patentable technology will not otherwise become known to, or be independently developed by, our competitors.

Implementation of PRC intellectual property-related laws has historically been lacking, primarily because of ambiguities in the PRC laws and difficulties in enforcement. Accordingly, intellectual property rights and confidentiality protections in China may not be as effective as those in Hong Kong, the United States or other countries. Policing unauthorized use of proprietary technology is difficult and expensive, and we may need to resort to litigation to enforce or defend patents issued to us or to determine the enforceability, scope and validity of our proprietary rights or those of others. Such litigation may require significant expenditure of financial and managerial resources and could have a material adverse impact on our business, financial condition and results of operation. An adverse determination in any such litigation will impair our intellectual property rights and may harm our business, prospects and reputation. In addition, given that the enforceability and scope of protection of proprietary rights in China are uncertain and still evolving, we may choose not to litigate or spend significant resources in litigation to enforce our intellectual property rights or to defend our patents against challenges from others.

We manufacture our principal products at our headquarters and package our products primarily in our other facilities. Any disruption in these manufacturing facilities, or in our planned move to a new facility which is currently under construction, could cause us to suffer losses and materially and adversely affect our business, financial condition and results of operation.

We have relied to date on our manufacturing facility located at our headquarters in Zhangjiang Hi-Tech Park, Shanghai, China for the production of our principal products. We also own three smaller facilities in Shanghai International Medical Zone, Shanghai, China and lease workspaces in Beijing where we are currently conducting research and development activities for our EP, diabetes and orthopedic devices, as well as packaging and storage of our current products. Significant damage to our primary facilities from natural or other causes, such as floods, fires, earthquakes and typhoons, could be costly and time-consuming to repair and could disrupt our manufacturing activities. In such an event, we would be forced to rely on third-party manufacturers or seek alternative facilities, which would need to be approved by SFDA in both cases in order to manufacture medical devices at such location. Even if we are able to identify such alternative facilities, we may incur additional costs, and we may experience a disruption in the production of our products until those facilities are available and duly approved for manufacturing medical devices.

In addition, we do not have a property ownership certificate for a portion of our current headquarters with an aggregate area of approximately 545 square meters, which is being temporarily used primarily for storage of materials, research and development activities and as offices. There is no assurance that we will be able to continue to use the relevant property and/or obtain the relevant property ownership certificate. We may also be required to relocate or be subject to certain fines. If we are required to cease using this space, we may experience a disruption in our business operation. Any disruption or delay in our manufacturing capacity could have an adverse impact on our ability to produce sufficient inventory of our products or may require us to incur additional expenses in order to produce sufficient inventory, and could impair our ability to meet the demand of hospitals and physicians which use our products and cause such hospitals and physicians to cancel orders, any of which could materially and adversely affect our reputation, business, financial condition and results of operation. In addition, the insurance we maintain for damage to our production facilities and equipment may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all.

In addition, we are in the process of constructing a new office complex in Shanghai into which we will move our headquarters and our principal manufacturing facilities. This complex is expected to be approximately 70,832 square meters and be completed in 2012. Any delays in the completion of this new complex or problems in moving our office or production equipment could materially and adversely affect our business, financial condition and results of operation.

We are exposed to potential product liability claims and our insurance coverage may be inadequate to protect us from all liabilities we may incur.

The manufacture and sale of medical devices exposes us to potential risks of product liability claims, which are time consuming and expensive to defend and may have a material adverse impact on our business, financial condition and results of operation. As our existing products were developed relatively recently and have not been used in a clinical setting for a long time, defects or risks that we have not yet identified may give rise to product liability claims. Our principal operating subsidiary in the PRC, MP Shanghai, is insured for product liability and clinical trial liability claims worldwide under a comprehensive general liability insurance policy with a syndicate of insurers including Sompo Japan Insurance Inc. and Ping An Property & Casualty Insurance Company of China, Ltd. (starting from July 2010), which policy is maintained by Otsuka Holdings, the parent company of our Controlling Shareholder, Otsuka Pharmaceutical. This policy has an annual aggregate limit of JPY50 billion (equivalent to approximately RMB4.0 billion), of which JPY100 million (equivalent to approximately RMB8.1 million) is specifically designated for any claims made by MP Shanghai (starting from July 2010) and the remainder of the coverage is payable on a first-claim basis for all of the entities the policy covers, which include MP Shanghai and subsidiaries and affiliates of Otsuka Pharmaceutical. Prior to July 2010, all of this policy was on a first-claim basis for all such covered entities. This insurance coverage may be inadequate to protect us from all liabilities arising from product liability claims. If, for any reason, Otsuka Holdings' insurance ceases to cover MP Shanghai or Otsuka Holdings decides to remove MP Shanghai from its insurance policy for whatever reason, we may not be able to obtain a comparable policy to replace it, or any policy at all. In addition, as Otsuka Holdings' insurance coverage is on a first-claim basis except for coverage in the amount of JPY100 million which only covers claims made by MP Shanghai (starting from July 2010), the aggregate annual insurance coverage may be inadequate to protect us from all our related liabilities if other insured entities made claims exceeding the annual aggregate limit.

If a product liability claim or series of claims is brought against us for uninsured liabilities or in excess of our insurance coverage and we are ultimately held liable for such claim or series of claims, our business, financial condition and results of operation will be materially and adversely affected. Additionally, we could experience a material design or manufacturing failure in our products, a quality system failure, other safety issues or heightened regulatory scrutiny that would cause us to cease manufacturing any such products. We may also, under our own initiative, recall a product if any material deficiency in a device is found. A recall of some of our products could also result in increased product liability claims. Further, we cannot ensure that physicians will follow our instructions on the proper usage of our products accurately. If our products are used incorrectly by physicians, injury may result, which could give rise to product liability claims against us. Any losses that we may suffer from any liability claims, and the effect that any product liability litigation may have upon the reputation and marketability of our products, may divert management's attention from normal business operations and may have a material adverse impact on our reputation, business, financial condition and results of operation.

Any product recall would damage our brand name and could have a material adverse effect on our reputation, business, financial condition and results of operation.

Complex medical devices, such as our stents and balloon catheters, sometimes experience problems resulting from the performance of the products or the way doctors use such products, which in both cases require review and possible corrective action by the manufacturer. From time to time, we receive feedback from doctors relating to issues they have encountered while using our products, including technical difficulties in the delivery or placement of some of our products. We expect that we will continue to receive such feedback from time to time. Furthermore, component failures, manufacturing errors or design defects could result in danger or injuries to patients. Any serious failures or defects could cause us to withdraw or recall products, which could result in significant costs such as repair and product replacement costs. The occurrence of any market withdrawals or product recalls of our products would damage our brand name and would have a material adverse effect on our business, financial condition and results of operation.

If we are unable to recruit, hire and retain skilled and experienced personnel, our ability to effectively manage our operations and meet our strategic objectives will be harmed.

Our future success depends, in large part, on the continued service of our officers and other key managerial, scientific, sales and technical personnel. In particular, we are a relatively young company with a limited operating history, and we rely heavily on our officers and senior management to operate and grow our business. Moreover, engineering, sales, marketing and clinical research personnel with experience in the medical device industry in China are scarce. Any loss or interruption of the services of any of our senior management or key personnel could significantly reduce our ability to effectively manage our operations and meet our strategic objectives because we cannot assure you that we would be able to locate suitable or qualified replacements. In addition, we may incur additional expenses and devote significant time to recruit and train new personnel, which could severely disrupt our business and growth. For example, our internal training for manufacturing personnel can last for up to several months depending on the position and the experience of the particular recruit, in which case there can be a lag between the time we initiate recruiting for such personnel and their commencement of work on our production lines. This lag could potentially interfere with our ability to expand our production capacity in a timely manner.

Furthermore, as we expect to continue to expand our operations and develop new products, we will need to continue attracting and retaining experienced management and key personnel. Competition for personnel in the medical device manufacturing industry is intense, and the availability of suitable and qualified candidates in China is limited. We compete for such personnel with other medical device companies, academic institutions, government entities and other organizations, and we expect such competition to intensify as the medical device industry in China grows. We may be unable to attract or retain the personnel required to achieve our business objectives and failure to do so could materially and adversely impact our competitiveness, business, financial condition and results of operation.

We may require additional capital in the future, which may not be available on terms acceptable to us, or at all.

Our capital requirements depend on many factors, including the amount of expenditures on research and development and intellectual property and technologies, the number of clinical trials we conduct and new product development. In addition, our future capital requirements may be substantial as we seek to grow through acquisitions and investments. To the extent that our existing capital is insufficient to meet these requirements, we will need to raise additional funds. Any equity or debt financing, if available at all, may be on terms that are not favorable to us. Equity financings could result in dilution to our Shareholders, and the securities issued in future financings may have rights, preferences and privileges that are senior to those of our Shares. If our need for capital arises because of significant losses, the occurrence of these losses may make it more difficult for us to raise the necessary capital. If we fail to obtain necessary funding on acceptable terms or at all, we may be forced to delay research and development activities, clinical trials, potential acquisitions and investments or otherwise curtail or cease operations.

If physicians do not recommend our products, our sales may decline.

Physician recommendation plays an important role in the sales of our products. Physician acceptance of our products depends on educating the medical community as to the distinctive characteristics, perceived benefits, safety, clinical efficacy and cost-effectiveness of our products compared with products of our competitors, and on training physicians in the proper application of our products. If physicians do not recommend our products, our sales may decline and our business, financial condition and results of operation may be materially and adversely affected.

To date, we have primarily focused on training and developing relationships with cardiologists, other vascular specialists and physicians in catheter laboratories in hospitals as a way of gaining market acceptance for stent products. As we expand our product offerings to include EP, diabetes and orthopedic devices, we are also beginning to work with physicians specializing in those areas. We may not be successful in convincing these or other medical professionals that our products are superior to those of our competitors or to alternate treatments, especially in our newer product areas where we are less known in the medical community.

RISKS RELATED TO OUR INDUSTRY

As part of its regulation of the medical industry, the PRC government has imposed reductions in the retail prices of our products periodically in the past and is expected to continue to do so. Ongoing decreases in the retail prices of our products or limitations on the profit margins we earn could materially and adversely affect our business, financial condition and results of operation.

In China, the government maintains a high level of involvement in the determination of retail prices of medical devices, and public hospitals and healthcare institutions are required to purchase high value medical supplies, including our vascular products, at prices established through a periodic tender process. Since we commercially launched our first drug-eluting stent, Firebird, in 2004, the tender process has occurred at irregular intervals, and at each tender, the retail prices of all tendered products, including our products, have been reduced.

The method for conducting the tender process in China has changed frequently in the last several years. In the first two tenders held in the beginning of 2005 and the second half of 2006, MOH and its counterparts in eight provinces and municipalities, including Beijing and Shanghai, organized and supervised the negotiation of retail prices with suppliers through a centralized bidding process to establish the retail prices for the healthcare institutions within these provinces and municipalities. Hospitals and healthcare institutions in other provinces and municipalities generally followed the prices established in these tenders. Subsequently, with the promulgation of the Notice Issued by MOH regarding Further Enhancing the Administration of Centralized Purchasing of Medical Devices (衛生部關於進一步加強醫療器械集中採購管理的通知) in June 2007, MOH conducted a nationwide tender in the second half of 2008 to set medical device retail prices for all hospitals and healthcare institutions in China until the next tender which MOH indicated would be held in 2009. However, no tender was held in 2009. Instead, MOH held a national tender only for new products which received SFDA approval following the last tender (including our peripheral stent system Crownus, our EP catheter FireMagic and our endovascular device Hercules B) in April 2010. Pursuant to a Notice issued by MOH regarding Centralized Purchasing of High Value Medical Supplies (衛生部辦公廳關於全國高值醫用耗材集中採購有關事項的通知) in January 2010, MOH announced that the tender process will be decentralized such that individual provinces and municipalities will be authorized to hold their own tenders, with the first round of these decentralized tenders to be completed by October 2010. We cannot be certain, however, whether all provinces' tenders will be completed by that time. In addition, there are a number of ambiguities regarding the new decentralized tender process, including how often tenders will occur in the future, whether large municipalities or hospitals within a province will be allowed to conduct their own tenders, and whether some provinces will elect to follow the prices set by other provinces or municipalities rather than conducting their own tender.

Moreover, in November 2009, NDRC, MOH and MOHRSS jointly issued a Notice of Opinion on Reform of Pricing System of Pharmaceuticals and Medical Services (關於印發改革藥品和醫療服務價格形成機制的意見的通知), pursuant to which NDRC will strengthen its intervention in the pricing of medical devices (including high value medical devices), limit the profit margins of the participants in the supply chain for medical devices and periodically announce market price information of medical devices. Accordingly, NDRC may determine that our or our distributors' profit margins of some or all of our products are too high and therefore lower the retail prices of our products. See "Regulations — Pricing and tender process" in this prospectus.

In the tenders held in 2005, 2006 and 2008, retail prices for Firebird, our principal product in those periods, decreased by approximately 20.7% from 2005 to 2006 and 6.1% from 2006 to 2008. We cannot predict the outcome of the decentralized tenders to be completed by October 2010, although we anticipate further reductions to the retail prices of our products. In addition, MOH's decision to decentralize the tender process will require us to devote additional resources in order to participate in the bidding process of each province, which may vary and have different procedures or requirements, and the agreed prices of our products may also vary from province to province. We cannot assure you that we will be able to meet the tender requirements of different provinces. In addition, if, for any reason, we are excluded from any future bidding process or our bids are not accepted, we may be unable to sell our products to public hospitals and healthcare institutions until the next tender is held in the applicable location. The tendering process remains highly uncertain and subject to change, and if retail prices or the prices paid by our distributors are subject to reductions, our revenue could decline and our business, financial condition and results of operation could be materially and adversely affected.

Our sales depend to a large extent on the level of insurance reimbursement patients receive for treatments using our products.

Our ability to sell our products depends to a large extent on the availability of governmental and private health insurance in China for treatments using our products. China has a complex medical insurance system that is currently undergoing reform. The governmental insurance coverage or reimbursement level in China for treatments using new medical devices such as vascular devices is subject to significant uncertainty and varies from region to region, as local government approvals for such coverage must be obtained in each geographic region in China. In addition, the PRC government may change, reduce or eliminate the governmental insurance coverage currently available for treatments using our products. Different products also have different insurance coverage or reimbursement levels. See "Regulations — Governmental insurance reimbursement program" in this prospectus.

A majority of our products are subject to reimbursement from governmental health insurers in most major provinces and municipalities in China, including Firebird and Firebird 2. However, we cannot assure you that the insurers will not change, reduce or eliminate the coverage currently available for treatments using our products or extend their coverage to our new products. In addition, insurance companies in China often reimburse patients for a higher percentage of the product cost if they use a medical device manufactured by a Chinese domestic company as opposed to an imported device. We cannot be certain that insurers will continue to adopt this favorable policy in the future.

In the absence of sufficient medical insurance coverage for the use of our products, patients may choose alternative treatment methods, and hospitals may recommend such alternative treatments, which would reduce demand for our products and our sales which could in turn materially and adversely affect our business, financial condition and results of operation.

The impact of the ongoing healthcare reform in China on our business remains uncertain.

In January 2009, the Chinese government approved in principle a healthcare reform plan to address the affordability of healthcare services, the rural healthcare system and healthcare service quality in China. In March 2009, the Chinese government published the healthcare reform plan for 2009 to 2011, which calls for, among other things, additional government spending on healthcare of RMB850 billion from 2009 to 2011 to support the reform plan. Such government spending is expected to be used primarily to (i) establish a basic healthcare medical insurance regime; (ii) increase the amount of rural and urban population covered by the basic medical insurance system or the new rural cooperative healthcare medical system to at least 90% by 2011; (iii) build a basic medicine system that includes a catalog of necessary drugs produced and distributed under government control and supervision; and (iv) enhance healthcare facilities, including building clinics and hospitals. The substantial increase in healthcare spending is expected to expedite the growth of the healthcare industry in China.

However, the PRC government has not yet provided a concrete timetable nor steps to implement certain aspects of the healthcare reform plan. See "Regulations — Healthcare reform plan" in this prospectus.

The major portion of this increased spending is expected to be directed toward basic healthcare services, including building additional clinics in rural areas. This expenditure is unlikely to have any direct effect on our business in the near term as our products are generally used in advanced treatments for vascular diseases and disorders, which are mainly conducted in Tier III and Tier II hospitals. In addition, we cannot predict the long-term effect of China's healthcare reform, including whether spending on catheter laboratories and other facilities where our products are used will increase.

Our competitors may have substantially greater resources than we do and may be able to develop more effective products or offer their products at lower prices than we can, which could materially and adversely impact our business, financial condition and results of operation.

We compete in a highly competitive market, which is significantly affected by the introduction of new products and price reductions by industry participants. With respect to drug-eluting stents, we primarily compete against international companies such as Johnson & Johnson (through its Cordis subsidiary), Medtronic, Inc. and Boston Scientific Corporation and domestic medical device manufacturers such as Beijing Lepu Medical Device, Inc., Shandong JW Medical Systems Limited and Dalian Yinyi Biomaterials Development Co., Ltd. Abbott Laboratories also recently commercially launched in China its drug-eluting stent, which is a major drug-eluting stent in the United States and Europe. In the future, we may also compete against companies which have obtained approvals from SFDA to manufacture and sell drug-eluting stents in China or companies which have developed drug-eluting stents but have not entered the vascular device market in China. Other global competitors in the cardiovascular area include ev3 Inc. and C.R. Bard, Inc. In addition, we face competition from ev3 Inc., C.R. Bard, Inc., Medtronic, Inc., Boston Scientific Corporation and Cook Medical, a division of Cook Group Inc., with respect to other vascular areas. As we expand our product portfolio to include devices for the treatment of arrhythmia, diabetes and orthopedic disorders, we will face significant competition from domestic and international manufacturers in those areas as well. For our EP devices, we will be competing primarily with Johnson & Johnson (through its Cordis subsidiary), St. Jude Medical Inc., Medtronic, Inc., C.R. Bard, Inc. and Shenzhen APT Medical Device Co., Ltd. In the market for diabetes devices, we will be competing primarily with Medtronic, Inc. We will be competing with existing domestic and international medical device manufacturers for our orthopedic devices.

Many of our competitors have already been selling products in China, and those that have not done so, as well as other device manufacturers, may begin selling products in China in the near future. These companies may have substantially greater capital resources, broader product lines, greater sales, marketing and management resources, larger research and development teams and larger production facilities than we do. As a result of the significant market opportunity for the products we produce and develop and the expected future growth of the China market, these and other potential competitors have dedicated and are likely to continue to dedicate significant resources to promote their products in China, which is the primary market in which we compete. Moreover, the entry of additional domestic manufacturers, which usually have a lower cost structure than international manufacturers, into the China market could drive down the retail prices of our products and reduce our profit margins. Our competitors may develop technologies and products that are safer, more effective, easier to use, less expensive or more readily accepted than ours. Their products could make our technology and products obsolete or noncompetitive. If we are not able to compete effectively against current and future competitors, our business, financial condition and results of operation may be materially and adversely affected.

The medical device industry in China is rapidly evolving, and we may be unable to maintain or enhance our market share in this industry for a variety of reasons.

The medical device industry in China is rapidly evolving due to economic growth in China, changes in government policies and funding levels, increasing competition and other factors discussed in this prospectus. In

an effort to maintain and enhance our market share in this highly competitive and changing environment, we implement special sales policies and discounts, as well as adjust our prices to distributors, from time to time depending on market conditions. For example, in 2008 we adopted a sales discount policy, primarily for Firebird, whereby a majority of distributors received one free product for every five products purchased. We discontinued that sales discount policy in 2009 and commenced offering discounts off the price of certain of our products when specified sales volume targets are satisfied by distributors. As a result of the foregoing pricing adjustments and the 2008 government tender described above, the average price of Firebird and Firebird 2 decreased by 17.6% in 2008 compared to the average selling price of Firebird in 2007, and the average price of Firebird and Firebird 2 decreased slightly between 2008 and 2009. We may be required to adopt additional sales incentives and/or lower the prices of our products in future periods to remain competitive in the markets in which we operate.

Our inability to adequately respond to changes in market conditions in a timely manner could have a material adverse effect on our business, financial condition, results of operation and return on capital expenditures, which could cause a decline in our growth rates, reduce our revenues and reduce our ability to maintain our current market share in the minimally invasive interventional device market or achieve our targeted market share in future periods. In addition, if we cannot maintain our market position, our reputation and brand name may be materially and adversely affected which could adversely affect our relationships with doctors and hospital administrators and our long-term ability to effectively market and sell our products or conduct clinical trials for our new products.

Our products and facilities are subject to extensive regulation, which may subject us to high compliance costs and expose us to penalties for non-compliance. We may not be able to obtain required regulatory approvals for our products in a cost-effective manner or at all.

The production and marketing of our products and our ongoing research and development, preclinical testing and clinical trial activities are subject to extensive regulation and review by governmental authorities both in China and abroad. PRC and foreign regulations applicable to medical devices are wide-ranging and govern, among other things, the testing, pre-market review, packaging, advertising, exporting and labeling of new medical devices. They also regulate the manufacturing processes, tendering, reporting, and record keeping procedures of medical device manufacturers.

We are required to obtain SFDA approval before we can market our products in China. Significant time, effort and expense are required to bring our products to market in compliance with the regulatory process, and we cannot assure you that any of our products will be approved for sale. In addition, as the PRC government has been increasing the level of regulatory control over the medical device industry in recent years, SFDA approval process tends to take a longer time to complete than before. We are also required to report any serious or potentially serious incidents involving our products to SFDA. During the Track Record Period, we have reported to SFDA a few adverse incidents primarily involving the use of Firebird and Firebird 2, including the loosening up of stents from the catheter delivery system, breakdown of stent, restenosis and fatalities of patients (which we believe were not directly caused by our products). Any failure to obtain, or delay in obtaining, regulatory approvals or clearances or to renew registrations for our products could prevent us from successfully marketing our products, which could materially and adversely affect our business, financial condition and results of operation. See "Regulations — SFDA requirements" in this prospectus.

In addition, before selling our products in international markets, we are required to obtain various governmental approvals in the relevant jurisdictions. Foreign regulations may vary from jurisdiction to jurisdiction and may be different from PRC regulations and SFDA requirements. For example, certain jurisdictions such as the European Union may have more stringent requirements on clinical trials and clinical data than those of SFDA. We cannot assure you that we will be able to meet regulatory requirements of different jurisdictions or that our products will be approved for sale in those jurisdictions. Additional time, effort and

expense may be required to bring our products to the international markets in compliance with different regulatory processes. Any failure to obtain, or delay in obtaining, regulatory approvals or clearances or to renew registrations for our products could prevent us from successfully marketing our products in the international markets, which could materially and adversely affect our business, financial condition and results of operation. In particular, we have applied for CE certification issued by notifying bodies in Europe so that our products including Firebird will be eligible to bear a CE mark, which means the products comply with the European Union's medical device directives and can be sold in countries that recognize such CE mark, which are countries mainly in the European Union. We cannot be certain whether our clinical data from China will be accepted by the notifying bodies or if we will be required to conduct new clinical trials in Europe. Our efforts to expand our international sales will be materially adversely affected if we are not able to obtain the CE mark for our products or if we are required to spend significant time and resourced on new clinical trials.

Our failure to comply with applicable regulatory requirements could result in governmental agencies in the relevant jurisdictions:

- imposing fines and penalties on us;
- preventing us from manufacturing or selling our products;
- bringing criminal charges against us;
- delaying the introduction of our new products into the market;
- recalling or seizing our products; or
- withdrawing or denying approvals or clearances for our products.

We could also be subject to civil liabilities if we fail to comply with applicable regulatory requirements.

If any or all of the foregoing were to occur, we may not be able to meet the demands of hospitals and physicians which use our products and they may cancel orders or purchase products from our competitors.

Even if regulatory approval or clearance of our products is granted, the approval or clearance could limit the uses for which our products may be labeled and promoted, which may in turn limit the market for our products. Further, for a marketed product, we and our facilities are subject to periodic reviews and inspections by SFDA and in any other jurisdictions where the product has been approved for sale. Subsequent discovery of problems with any of our products or facilities may result in restrictions being imposed on us, including withdrawal of a product from the market or other enforcement actions. In addition, regulatory agencies may not agree with the extent or speed of corrective actions we take in relation to product or manufacturing problems.

Because we are subject to extensive regulation in the jurisdictions in which we operate, including China, the Asia Pacific region, South America and Europe, we are subject to the risk that regulations could change in a way that would expose us to additional costs, penalties or liabilities. If additional regulatory requirements are implemented in the countries in which we sell our products, the cost of developing or selling our products may increase.

RISKS RELATED TO DOING BUSINESS IN CHINA

The recent global market fluctuations, economic downturn and decline in the availability of credit could materially and adversely affect our business, financial condition and results of operation.

The global capital and credit markets have been experiencing extreme volatility and disruption in recent periods. Concerns over inflation or deflation, energy costs, geopolitical issues, the availability and cost of credit, the U.S. mortgage market and a declining residential real estate market in the U.S. and elsewhere have contributed to significant levels of market volatility and diminished expectations for the global economy and the capital and consumer markets in the future. These factors, combined with volatile oil prices, declining business activities and consumer confidence and increased unemployment, have precipitated an economic slowdown and a possible prolonged global recession. These events have led to a slowdown in the Chinese economy in recent periods and which could continue in the future. As a result, demand for our products may significantly decrease, thereby materially and adversely affecting our business, financial condition and results of operation.

In addition, the availability of credit to entities, such as ourselves, operating within emerging markets is significantly influenced by levels of investor confidence in such markets as a whole, therefore, any factor that impacts market confidence (for example, a decrease in credit ratings or state or central bank intervention in one market) could affect the cost or availability of funding for entities within any of these markets. The recent economic slowdown and global recession have affected the global credit market and resulted in reduced liquidity, greater volatility, widening of credit spreads, lack of price transparency in credit markets and a reduction in available financing. It is difficult to predict how long these conditions will prevail and the extent to which we may be affected. Prolonged disruptions to the global credit markets could limit our ability to borrow funds in the future, which could materially and adversely affect our liquidity, business, financial condition, results of operation and future prospects.

Changes in political or economic policies, and a slowdown in the economy of the PRC may have a material adverse impact on our business, financial condition and results of operation.

Substantially all of our assets are currently located in the PRC. A substantial part of our revenue is generated from products manufactured and sold in the PRC, and we expect this situation to continue in the near future. As a result, our business, financial condition, results of operation and future prospects are and will continue to be subject to political, economic and legal developments in the PRC to a significant degree. The PRC economy differs from the economies of most developed countries in many respects, including the extent of government involvement, allocation of resources, capital reinvestment, level of development, growth rate, and control of foreign exchange.

Historically, the PRC economy was centrally-planned, with a series of economic plans promulgated and implemented by the PRC government. Since 1978, the PRC government has been promoting economic and political reforms. The PRC has gradually shifted from a planned economy toward a market-oriented economy. However, continued governmental control of the economy may adversely affect us. We cannot assure you that the PRC government will continue to pursue economic reforms. A variety of policies and measures that could be taken by the PRC government to regulate the economy, including the introduction of measures to control inflation, deflation, or regulate economic growth, changes in the rates or methods of taxation, or the imposition of additional restrictions on currency conversions and remittances abroad, could materially and adversely affect our business, financial condition and results of operation.

Changes and uncertainties in the PRC legal system may have a material adverse impact on our business, financial condition and results of operation.

The PRC is still in the process of developing a comprehensive statutory framework. Since 1979, the PRC government has established a commercial law system, and significant progress has been made in promulgating laws and regulations relating to economic affairs and matters such as corporate organization and governance, foreign investment, commerce, taxation and trade. However, many of these laws and regulations are relatively new, and the implementation and interpretation of these laws and regulations remain uncertain in many areas. Consequently, developments and changes in PRC laws and regulations, including their interpretation and enforcement, may have a material adverse effect on our business, financial condition and results of operation.

PRC regulations, particularly SAFE Circular No. 75 relating to acquisitions of PRC companies by foreign entities, may limit our ability to acquire PRC companies and adversely affect the implementation of our strategy as well as our business and prospects.

In 2005, SAFE issued a number of rules regarding offshore investments by PRC residents. The currently effective rule, the Circular on Several Issues Relating to the Administration of Foreign Exchange in Fund-Raising and Return Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知) known as SAFE Circular No. 75, was issued in October 2005 and further clarified by the Notice of the General Affairs Department of the State Administration of Foreign Exchange on Release of Operative Directives for the "Circular on Several Issues Relating to the Administration of Foreign Exchange in Fund-Raising and Return Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies" (國家外匯管理局綜合司關於印發〈國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知〉操作規程的通知) ("Circular No. 106") issued by SAFE in May 2007.

SAFE Circular No. 75 requires domestic residents of the PRC to register with and receive approvals from SAFE before establishing or controlling any company outside China for the purpose of capital financing with assets or equities of PRC companies, referred to therein as a "special purpose company." PRC domestic residents who are beneficial owners of special purpose companies and have completed reverse investments but did not make foreign exchange registrations for overseas investments before November 1, 2005 were retroactively required to register with the local SAFE branch before March 31, 2006. PRC domestic residents who are beneficial owners of special purpose companies are also required to amend their registrations with the local SAFE branch in certain circumstances. Circular No. 106 further defines PRC domestic residents as "natural persons who do not hold legal PRC domestic resident identity but customarily live in the PRC due to the link of economic interest" and these persons mainly fall into the following three categories: (i) natural persons who have permanent residence in the PRC, but are away from their permanent residence temporarily and are staying overseas to travel, study, receive medical treatment, work, or for other reasons, but will return to their permanent residence when such reasons no longer apply; (ii) natural persons who hold a domestically funded equity interest in a domestic enterprise; and (iii) natural persons who originally held a domestic equity interest, and who are still the ultimate holders of such interest, even though such interest has converted into a foreign funded equity interest. See "Regulations — Regulation of foreign exchange in certain onshore and offshore transactions" in this prospectus.

To our knowledge and as advised by our PRC counsel, Jun He Law Offices, one of our Shareholders who is a PRC domestic resident, Dr. Zhaohua Chang (our founder and Director and chairman of our Company), has made the relevant application and filing with the Shanghai branch of SAFE and has obtained the applicable registration and approval required by these SAFE regulations. We have made the relevant applications with the Shanghai branch of SAFE for our other minority shareholders who are PRC domestic residents and became our Shareholders as a result of the exercise of their share options under the Pre-IPO Share Option Schemes. Nevertheless, we were advised by the Shanghai branch of SAFE that these applications would not be accepted

and the Shanghai branch of SAFE has ceased accepting applications for registering the overseas investment of PRC domestic residents as a result of exercising share options prior to the listing of a company. The Shanghai branch of SAFE did not explain the reason for not accepting such applications and advised that we could apply for registration after the Listing pursuant to the Share Option Rule (as defined in the next risk factor) which provides that the overseas investments of PRC citizens in the employee share option or share incentive plan of an overseas listed company are required to be registered with SAFE. We cannot assure you, however, that we will be able to obtain applicable registrations and approvals required by these SAFE regulations for our minority shareholders after the Listing. Further, there may be additional PRC domestic resident Shareholders, whose actions we do not control, who are not in compliance with the registration procedures set forth in SAFE Circular No. 75. The failure or inability of our PRC domestic resident beneficial owners to comply with SAFE rules and the registration procedures may subject these beneficial owners or our PRC subsidiaries to fines and legal sanctions; restrict our cross-border cash flows; limit our PRC subsidiaries' ability to distribute dividends, repay foreign loans or make other outbound payments; limit our ability to make capital contributions, or foreign exchange-denominated loans to our PRC subsidiaries or other inbound payments; or otherwise adversely affect our business. Moreover, failure to comply with SAFE registration requirements could result in liabilities under PRC laws for evasion of foreign exchange restrictions.

As it is uncertain how the SAFE regulations will be interpreted or implemented, we cannot predict how these regulations will affect our business operations or future strategy. For example, we may be subject to a more stringent review and approval process with respect to our foreign exchange activities, such as remittance of dividends and foreign currency-denominated borrowings, which may materially and adversely affect our business, financial condition and results of operation. In addition, if we decide to acquire a PRC domestic company, we cannot assure you that we or the owners of such company, as the case may be, will be able to obtain the necessary approvals or complete the necessary filings and registrations required by the SAFE regulations. This may restrict our ability to implement our acquisition strategy and could materially and adversely affect our business, financial condition, results of operations and future prospects.

Failure to comply with PRC regulations in respect of the registration of our PRC citizen employees' share options may subject such employees or us to fines and legal or administrative sanctions.

In December 2006, PBOC promulgated the Administrative Measures for Individual Foreign Exchange (個人外匯管理辦法), which set forth the respective requirements for foreign exchange transactions by PRC individuals under either the current account or the capital account. The Implementation Rules of the Administrative Measures for Individual Foreign Exchange (個人外匯管理辦法實施細則), issued in January 2007 by SAFE, specify the approval requirements for PRC citizens who are granted shares or share options by an overseas listed company according to its employee stock ownership plan or stock option plan.

In March 2007, SAFE promulgated the Processing Guidance on Foreign Exchange Administration for Domestic Individuals Participating in Employee Stock Holding Plans or Stock Option Plans of Overseas-Listed Companies (境內個人參與境外上市公司持股計畫和認股期權計畫等外匯管理操作規程) (the "Share Option Rule"). According to the Share Option Rule, PRC citizens who are granted shares or share options by an overseas listed company according to its employee share option or share incentive plan are required, through the PRC subsidiary of such overseas listed company or other qualified PRC agents, to register with SAFE and complete certain other procedures related to the share option or other share incentive plan. Foreign exchange income from the sale of shares or dividends distributed by the overseas listed company may be remitted into a foreign currency account of such PRC citizen or be exchanged into Renminbi. In addition, the overseas listed company or its PRC subsidiary or other qualified PRC agent is required to appoint an asset manager or administrator, appoint a custodian bank and open dedicated foreign currency accounts to handle transactions relating to the share option scheme or other share incentive plan. We and our PRC citizen employees who have been and will be granted share options ("PRC option holders") will be subject to these rules upon Listing. If we or our PRC option holders

fail to comply with these rules in the future, we or our PRC option holders may be subject to fines and other legal or administrative sanctions. See "Regulations — Regulations on employee share options" in this prospectus.

Restriction of payment of dividends under PRC law and the tax exemptions on dividends received by our Company and our Shareholders may be affected by the Corporate Income Tax Law.

Under PRC laws, dividends may be paid only out of distributable profits. Distributable profits with regard to the subsidiaries of our Company incorporated in the PRC, including MP Shanghai, mean their respective after tax profits as determined under PRC GAAP, less any recovery of accumulated losses and allocations to statutory funds that they are required to make. Any distributable profits that are not distributed in a given year are retained and available for distribution in subsequent years. The calculation of distributable profits under PRC GAAP differs in many aspects from the calculation under HKFRS. As a result, our PRC subsidiaries may not be able to pay any dividend in a given year to our Company if they do not have distributable profits as determined under PRC GAAP, even if they have profits for that year as determined under HKFRS. Accordingly, since we derive all of our profits from our PRC subsidiaries, we may not have sufficient distributable profits to pay dividends to our Shareholders, even if there is such an amount as shown in our accounts prepared under HKFRS.

In addition, our Company was incorporated under the laws of the Cayman Islands and indirectly holds interests in MP Shanghai, MP Lifesciences Shanghai, MP Lifesciences Beijing, MP Orthopedics and MP Electrophysiology. The Corporate Income Tax Law (中華人民共和國企業所得税法) (the "CIT Law"), which became effective on January 1, 2008, and its implementation rules stipulate that if an entity is deemed to be a non-PRC resident enterprise without an office premises in the PRC, withholding tax at the rate of 10% will be applicable to any dividends paid to it by its PRC subsidiary, unless it is entitled to reduction or elimination of such tax, including by tax treaties.

Moreover, the CIT Law provides that, if an enterprise incorporated outside the PRC has its "de facto management organization" located within the PRC, the enterprise may be recognized as a "PRC resident enterprise" and thus may be subject to an enterprise income tax at the rate of 25% on its worldwide income. Under the implementation rules for the CIT Law, "de facto management bodies" is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. In April 2009, the PRC tax authority promulgated a circular to clarify the criteria for determining whether the "de facto management bodies" are located within the PRC for enterprises incorporated overseas with controlling shareholders being PRC enterprises. However, the relevant PRC laws and regulations remain unclear regarding how the PRC tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise as in our case. Substantially all of our management team members reside in the PRC. If most of them continue to reside in the PRC, our Company may be deemed a PRC resident enterprise and therefore subject to the PRC enterprise income tax at a rate of 25% on our worldwide income, which excludes the dividends received directly from another PRC resident enterprise. In that case, our Company's distributable profits may be adversely affected. See "Regulations — Tax" in this prospectus.

Dividends payable by us to our investors and gains on the sale of our Shares may become subject to withholding taxes under PRC tax laws.

Under the CIT Law and its implementation rules, PRC income tax at the rate of 10% is applicable to dividends payable to investors that are "non-resident enterprises" (and that do not have an establishment or place of business in the PRC, or that have an establishment or place of business but the relevant income is not effectively connected with the establishment or place of business) to the extent such dividends have their sources within the PRC. Similarly, any gain realized on the transfer of shares by such investors is also subject to 10% PRC income tax if the gain is regarded as income derived from sources within the PRC. If we are considered a PRC "resident enterprise," it is unclear whether the dividends we pay with respect to our Shares, or the gain

investors may realize from the transfer of our Shares, would be treated as income derived from sources within the PRC and be subject to PRC tax. If we are required under the CIT Law to withhold PRC income tax on our dividends payable to our foreign Shareholders, or if investors are required to pay PRC income tax on the transfer of their Shares, the value of their investment in our Shares may be materially and adversely affected.

Our PRC subsidiaries, including MP Shanghai, are subject to existing restrictions on paying dividends or making other distributions to us, and changes in foreign exchange regulations may materially and adversely affect our business, financial condition and results of operation.

We are a holding company incorporated in the Cayman Islands, and we rely on dividends paid by our PRC operating subsidiaries, including MP Shanghai, for our cash requirements, including the funds necessary to pay dividends and other cash distributions to our Shareholders, to service any debt we may incur, and to pay our operating expenses. PRC regulations currently permit payment of dividends only out of distributable profits, as determined in accordance with PRC GAAP, which differ in many aspects from generally accepted accounting principles in other jurisdictions, including HKFRS. Our PRC subsidiaries are required to set aside at least 10% of their respective distributable profits after tax each year, if any, to fund certain reserve funds, until the aggregate accumulated reserve funds exceed 50% of their respective registered capital. Of our PRC subsidiaries, as of March 31, 2010, only MP Shanghai's statutory reserve funds have reached this 50% threshold. These reserve funds cannot be distributed as cash dividends. In addition, if any of our PRC subsidiaries incurs debt on its own or enters into certain other agreements in the future, the instruments governing the debt or such other agreements may restrict its ability to pay dividends or make other distributions to us. Therefore, these restrictions on the availability and usage of our major source of funding may materially and adversely affect our ability to pay dividends to our Shareholders and to service our debts.

We receive substantially all of our revenue in RMB, which is not freely-convertible into other currencies. As a result, any restriction on currency exchange may limit the ability of our PRC subsidiaries to use our revenue generated in RMB to pay dividends to us. Under existing foreign exchange regulations in the PRC, following completion of the Global Offering, our PRC subsidiaries may make payment of dividends without prior approval from SAFE by producing documents including but not limited to commercial documents evidencing dividend allocation, provided that they are processed through PRC banks licensed to engage in foreign currency transactions. The PRC government has stated publicly that it intends to make the RMB freely convertible in the future. However, uncertainty exists as to whether the PRC government may restrict access to foreign currency for current account transactions if foreign currency becomes scarce in the PRC, in which case our ability to pay dividends or satisfy other foreign exchange requirements may be adversely affected.

Any change in the preferential tax treatment we currently enjoy in the PRC may have a material adverse impact on our business, financial condition and results of operation.

On March 16, 2007, NPC passed the CIT Law. The CIT Law which became effective on January 1, 2008 replaced the previous two separate tax legal regimes for FIEs and Chinese domestic companies and imposes a single uniform income tax rate of 25% for all enterprises, including FIEs, unless they qualify under certain exceptions. Although the CIT Law revokes many of the previous tax exemption, reduction and preferential treatments which were applicable to FIEs, it contemplates various transition periods and measures for previous preferential tax policies enjoyed by the FIEs. FIEs which were established before the promulgation of the CIT Law and were previously entitled to a lower income tax rate will be entitled to a grace period of five years, and enterprises which were entitled to the fixed-term preferential tax exemption or reduction will continue to enjoy such preferential treatment until the expiration of the specified terms, except that the relevant exemption or reduction shall start from January 2008 if the first profit-making year for commencing the relevant exemption or reduction is later than 2008.

Our principal operating subsidiary, MP Shanghai, was exempt from enterprise income tax until 2005, and its enterprise income tax rate for 2006, 2007, 2008, 2009 and 2010 was 7.5%, 7.5%, 9%, 15% and 15%, respectively. See "Regulations — Tax" in this prospectus. We cannot assure you that MP Shanghai will continue to be subject to a preferential tax rate, and, accordingly, MP Shanghai may be subject to the regular income tax rate of 25%, which would materially and adversely affect our business, financial condition and results of operation.

Fluctuations in the value of the Renminbi may have a material adverse effect on your investment.

The value of the Renminbi against the U.S. dollar, Euro and other currencies may fluctuate and is affected by, among other things, changes in China's political and economic conditions. The conversion of Renminbi into foreign currencies, including U.S. dollars, has historically been set by PBOC. On July 21, 2005, the PRC government changed its policy of pegging the value of the Renminbi to the U.S. dollar. Under the new policy, the Renminbi is permitted to fluctuate within a band against a basket of certain foreign currencies, determined by PBOC, against which it can rise or fall by as much as 0.3% each day. On May 21, 2007, the PRC government further widened the daily trading band from 0.3% to 0.5%. Between July 21, 2005 and December 31, 2009, the Renminbi has appreciated significantly against the U.S. dollar. There remains significant international pressure on the PRC government to further liberalize its currency policy, which could result in a further and more significant appreciation in the value of the Renminbi against the U.S. dollar.

As we rely on dividends paid to us by our PRC subsidiaries, including MP Shanghai, any significant revaluation of the Renminbi may have a material adverse effect on our revenue and financial condition, and the value of any dividends payable on our Shares in foreign currency terms. In addition, even though substantially all of our revenue and expenses are denominated in RMB, fluctuations in exchange rates may nonetheless in the future adversely affect the value of our net assets, earnings or any declared dividends. Also, any unfavorable movement in the exchange rate may lead to an increase in our costs or a decline in sales, which could materially and adversely affect our business, financial condition and results of operation.

PRC regulation of direct investment and loans by offshore holdings companies to PRC entities may delay or limit us from using the proceeds of the Global Offering to make additional contribution or loans to our PRC subsidiaries.

Any capital contribution or loans that we, as an offshore entity, make to our PRC subsidiaries, including from the proceeds of the Global Offering, are subject to PRC regulations. For example, any of our loans to our PRC subsidiaries cannot exceed the difference between the total amount of investment that our respective PRC subsidiaries are approved to make under relevant PRC laws and their respective registered capital, and any such loans must be registered with the local branch of SAFE. In addition, our additional capital contributions to our PRC subsidiaries must be approved by MOFCOM or its local counterpart. We cannot give assurance that we will be able to obtain these approvals on a timely basis, or at all. If we fail to obtain such approvals, our ability to make equity contribution or provide loans to our PRC subsidiaries or to fund its operations may be adversely affected, which could harm our PRC subsidiaries' liquidity and their ability to fund their working capital and expansion projects and meet their obligations and commitments.

In addition, in August 2008, SAFE promulgated Circular 142 (國家外匯局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知), a notice regulating the conversion by a foreign-invested company of foreign currency into Renminbi by restricting how the converted Renminbi may be used. Circular 142 requires that Renminbi converted from the foreign currency-denominated capital of a foreign-invested company may only be used for purposes within the business scope approved by the applicable governmental authority and may not be used for equity investments within the PRC unless otherwise specifically provided for. In addition, SAFE strengthened its oversight over the flow and use of Renminbi funds converted from the foreign currency-denominated capital of a foreign-invested company. The use of such Renminbi may not be changed

without approval from SAFE, and may not be used to repay Renminbi loans if the proceeds of such loans have not yet been used. Violations of Circular 142 may result in severe penalties, including substantial fines as set forth in the Foreign Exchange Administration Regulations (外匯管理條例).

The enforcement of the Labor Contract Law and other labor-related regulations in the PRC may materially and adversely affect our business, financial condition and results of operation.

On June 29, 2007, NPC enacted the Labor Contract Law (劳動合同法), which became effective on January 1, 2008. Compared with the PRC Labor Law, which took effect on January 1, 1995, the Labor Contract Law imposes more stringent requirements on employers in relation to entry into fixed term employment contracts and dismissal of employees. In addition, under the Regulations on Paid Annual Leave for Employees (職工帶薪年休假條例), which became effective on January 1, 2008, employees who have served continuously for more than one year with an employer are entitled to a paid vacation ranging from five to 15 days, depending on the length of the employees' service. Employees who consent to waive such vacation at the request of employers shall be compensated at an amount equal to three times their normal salaries for each vacation day being waived. As a result, our Group's labor costs may increase. There is no assurance that any dispute, work stoppage or strike will not arise in the future. Increases in our Group's labor costs and future disputes with our employees could materially and adversely affect our business, financial condition and results of operation.

We are subject to a wide variety of environmental regulations, and any failure to comply with these regulations or to control the associated costs could harm our business.

We are required to comply with various and extensive environmental, health and safety laws and regulations promulgated by the PRC government and the governments of the overseas jurisdictions in which we operate. If we fail to comply with these laws and regulations, we could be exposed to penalties, fines, suspension or revocation of our licenses or permits to conduct business, administrative proceedings and litigation. Given the magnitude and complexity of these laws and regulations, the compliance with them or the establishment of effective monitoring systems may be onerous or require a significant amount of financial and other resources. As these laws and regulations continue to evolve, we cannot give assurance that the PRC government or the governments of other overseas jurisdictions in which we may have future operations will not impose additional or more onerous laws or regulations, compliance with which may cause us to incur significantly increased costs. Such events could materially and adversely affect our business, financial condition and results of operation.

It may be difficult to effect service of process upon us or our Directors or senior management who reside in the PRC or to enforce against us or them judgments obtained from non-PRC courts.

We are incorporated in the Cayman Islands. The majority of our Directors and senior management reside in the PRC. Almost all of our assets and some of the assets of those Directors and senior management are located within the PRC. Therefore, it may not be possible for investors to effect service of process upon us or those persons inside the PRC. The PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions. On July 14, 2006, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (最高院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民事案件判決的安排) (the "Arrangement"), pursuant to which a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in the PRC. Similarly, a party with a final judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A choice of court agreement in writing is defined

as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong court or a PRC court is expressly designated as the court having sole jurisdiction for the dispute. Therefore, it is not possible to enforce a judgment rendered by a Hong Kong court in China if the parties in dispute do not agree to enter into a choice of court agreement in writing. As a result, it may be difficult or impossible for investors to effect service or process against our assets or Directors or senior management in China in order to seek recognition and enforcement for foreign judgments in China.

Furthermore, the PRC does not have treaties or agreements providing for the reciprocal recognition and enforcement of judgments awarded by courts of the United States, the United Kingdom, or most other western countries or Japan. Hence, the recognition and enforcement in the PRC of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or even impossible.

We may be subject to acts of God, acts of war and epidemics which are beyond our control and which may cause damage, loss or disruption to our business.

Our business is subject to general economic and social conditions in the PRC. Natural disasters, epidemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the PRC. Some cities in the PRC are under the threat of flood, earthquake, sandstorm, snowstorm, fire or drought. For instance, a serious earthquake and its successive aftershocks hit Sichuan province in May and June of 2008, resulting in tremendous loss of lives and injury and destruction of assets in the region. In April 2009, a swine influenza broke out in Mexico and spread globally, resulting in the loss of lives and widespread fear. Our business, financial condition and results of operation may be materially and adversely affected if such natural disasters occur. Certain areas of China are susceptible to epidemics, such as Severe Acute Respiratory Syndrome ("SARS") or swine or avian influenza. A recurrence of SARS, an outbreak of swine or avian influenza, or any epidemic in China could result in material disruptions to our operations or a slowdown of China's economy, which could materially and adversely affect our business, financial condition and results of operation. Acts of war and terrorism may also injure our employees, cause loss of lives, damage our facilities, disrupt our distribution channels and destroy our markets, any of which could materially and adversely impact our business, financial condition and results of operation. The potential for war or terrorist attacks may also cause uncertainty and cause our business to suffer in ways that we cannot predict. Our business, financial condition and results of operation may be materially and adversely affected as a result.

RISKS RELATED TO THE GLOBAL OFFERING

There has been no previous public market for our Shares, and an active trading market may not develop.

Prior to the completion of the Global Offering, there has been no public market for our Shares. The Offer Price will be determined by the Joint Bookrunners and us. The Offer Price may differ from the market price of our Shares after the Global Offering. We cannot give assurance the Listing will result in the development of an active or liquid trading market for the Shares following the Global Offering or in the future or, if it does develop, that it will be sustained after the Listing or that the market price of our Shares will not decline below the Offer Price.

Future sales by our existing Shareholders of a substantial number of our Shares in the public market could materially and adversely affect the prevailing market price of our Shares.

Future sales of a substantial number of our Shares by our existing Shareholders, or the possibility of such sales, could negatively impact the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. Shares held by our Controlling Shareholder are subject to lock-up undertakings for a period ending six months after the date on which trading in our Shares commences on the

Hong Kong Stock Exchange, details of which are set out in "Underwriting" in this prospectus. We cannot assure you that our Controlling Shareholder will not dispose of any Shares it may now own or in the future.

Future sales or a major divestment of Shares by our current significant Shareholders could adversely affect our Share price.

Future sales, disposals or other transfers of a substantial number of our Shares by our current significant Shareholders in the public market, or any prospects or possibilities of such sales, disposals or other transfers of such Shares could adversely affect the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. Currently, although a majority of the Shares held by our significant Shareholders are subject to lock-up arrangements whereby the significant Shareholders have agreed not to dispose of their shares within six months after the Listing Date, there still remains approximately 1.3% of our Company's enlarged issued share capital after the Global Offering not being subject to any lock-up arrangement. If our existing Shareholders sell a substantial amount of our Shares in the public market upon Listing, or such significant Shareholders sell their Shares upon the expiration of the lock-up period, such sales may create a circumstance commonly referred to as an "overhang" and in anticipation of which the market price of our Shares may fall. The existence of an overhang, whether or not such sales have occurred or are occurring, may make it more difficult for us to raise additional financing through the sale of equity or equity-related securities in the future at a time and price we deem reasonable or appropriate. The sale of such Shares may have a negative impact on the price of our Shares. See "Underwriting" in this prospectus for information regarding the lock-up arrangements of our current significant Shareholders.

The interests of our Controlling Shareholder may differ from those of other Shareholders.

Immediately following the Global Offering, our Controlling Shareholder will beneficially own 33.4% of our Company's outstanding Shares, or approximately 32.5% if the Sole Global Coordinator (on behalf of the International Purchasers) exercises the Over-allotment Option in full. The interests of our Controlling Shareholder may differ from the interests of our other Shareholders. If the interests of our Controlling Shareholder conflict with the interests of our other Shareholders, or if our Controlling Shareholder cause our business to pursue strategic objectives that conflict with the interests of our other Shareholders, the non-Controlling Shareholder could be disadvantaged by the actions that our Controlling Shareholder choose to cause us to pursue.

Our Controlling Shareholder could have significant influence in determining the outcome of any corporate transaction or other matter submitted to our Shareholders for approval, including but not limited to mergers, consolidations and the sale of all, or substantially all, of our assets, election of Directors, and other significant corporate actions. Our Controlling Shareholder has no obligation to consider the interests of our Company or the interests of our other Shareholders.

Investors will experience dilution in net tangible assets value because the Offer Price is higher than our net tangible assets value per Share.

Because the Offer Price is higher than the net tangible assets value per Share immediately prior to the Global Offering, purchasers of our Shares in the Global Offering will experience an immediate dilution in consolidated net tangible assets value of HK$4.71 per Share (assuming the maximum Offer Price of HK$6.10, and the corresponding pro forma adjusted consolidated net tangible assets per Share of HK$1.39 as set forth in "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus). If we issue additional Shares in the future, purchasers of our Shares may experience further dilution in their ownership percentage.

The trading volume and share price of our Shares may fluctuate.

The price and trading volume of our Shares may be highly volatile. Factors such as actual or anticipated fluctuations in our quarterly results of operation, announcements of new products by us or our competitors, changes in financial estimates by securities analysts, changes in the economic performance or market valuations of other companies involved in the manufacture and sales of medical devices, changes in government regulations and policies affecting the medical device industry, including those relating to the pricing of medical devices, announcements by our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments, additions or departures of key personnel or potential litigation could cause large and sudden changes in the volume and price at which our Shares will trade. In addition, the Hong Kong Stock Exchange and other securities markets have, from time to time, experienced significant price and volume fluctuations that are not related to the operating performance of any particular company. These fluctuations may also materially and adversely affect the market price of our Shares.

Investors may face difficulties in protecting their interests because we are incorporated under Cayman Islands law, and Cayman Islands law may provide different remedies to minority shareholders when compared with the laws of Hong Kong and other jurisdictions.

Our corporate affairs are governed by our Memorandum and Articles and by the Cayman Companies Law and the common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those established under statutes or judicial precedents in Hong Kong, the United States and other jurisdictions. Such differences may mean that the remedies available to our minority Shareholders may be different from those they would have under the laws of Hong Kong, the United States or other jurisdictions. Please refer to "Summary of the Constitution of our Company and Cayman Companies Law" in Appendix V to this prospectus.

Investors should not place undue reliance on industry and market information and statistics derived from official government publications, market data providers and other independent third party sources contained in this prospectus.

This prospectus contains information and statistics, including but not limited to information and statistics relating to the PRC and the industry and markets. The information and statistics related to the industry and markets are derived from official government publications, market data providers and other independent third party sources. None of such information or statistics have been independently verified by us, or any of our affiliates or advisers, or by the Sole Global Coordinator, the Joint Bookrunners and the Joint Lead Managers, the Joint Sponsors, any other party involved in the Global Offering, or their respective affiliates or advisers. We cannot ensure the accuracy of such information and statistics, and such information and statistics may not be consistent with other information publicly available or available from other sources. Prospective investors should not place undue reliance on any information and statistics derived from official government publications, market data providers and other independent third party sources contained in this prospectus.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains certain statements that are "forward-looking" and uses forward-looking terminology such as "believe," "expect," "aim," "intend," "will," "may," "plan," "consider," "anticipate," "seek," "should," "would" or similar expressions or the negative thereof. Those statements include, among other things, the discussion of our growth strategy and the expectations of our future operations, liquidity and capital resources. Purchasers and subscribers of our Offer Shares are cautioned that reliance on any forward-looking statement involves risk and uncertainties and that any or all of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions could also be incorrect. The uncertainties in this regard include those identified in the risk factors discussed above. In light of these and other

uncertainties, the inclusion of forward-looking statements in this prospectus should not be regarded as representations or warranties by us that our Company's plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. We do not intend to update these forward-looking statements in addition to our ongoing disclosure obligations pursuant to the Listing Rules or other requirements of the Hong Kong Stock Exchange. Investors should not place undue reliance on such forward-looking information.

Due to a gap of up to five business days between pricing and trading of the Offer Shares, investors may not be able to sell or otherwise deal in our Offer Shares during such period, and the initial trading price of the Offer Shares could be lower than the Offer Price.

The Offer Price will be determined on the Price Determination Date. However, our Offer Shares will not commence trading on the Hong Kong Stock Exchange until the Listing Date, which is expected to be up to five business days after the Price Determination Date. As a result, investors may not be able to sell or otherwise deal in our Offer Shares during such period, and thus are subject to the risk that the market price of our Offer Shares could fall before trading begins as a result of adverse market conditions or other adverse developments occurring during this period.

We strongly caution investors not to place any reliance on any information contained in press articles or other media regarding our Group and the Global Offering.

There has been press and media coverage regarding our Group and the Global Offering, such as in the Apple Daily on September 6, 2010, which included certain business and financial information and other information about our Group that do not appear in this prospectus. Our Group has not authorized the disclosure of any such information in the press or media. Our Group does not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information. Our Group makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information appearing in publications other than this prospectus is inconsistent or conflicts with the information contained in this prospectus, our Group disclaims it. Accordingly, prospective investors should not rely on any such information. In making the decision as to whether to purchase the Offer Shares, investors should rely only on the financial, operational and other information included in this prospectus.