



7th February 2017

ASX Compliance Pty Limited  
Level 4, North Tower  
525 Collins Street  
Melbourne VIC 3000

Dear ASX,

**Vivo – Change in Substantial Holding - AirXpanders, Inc. (AXP) ('AirXpanders or 'the Company')**

The purpose of this notice is to confirm the dilutive impact of the issue by AirXpanders of 26.5 Million CHES Depository Interests (CDIs) (Tranche 1 of a placement announced by AirXpanders on 27 January 2017) on the holdings of Vivo in AirXpanders in which it did not participate.

**Previous notification**

Vivo last advised AirXpanders of its stockholdings in AirXpanders on 19 September 2016. A summary follows below:

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
Vivo*	Power to control disposal and voting of the securities held	Shares of Class A common stock ( <b>Shares</b> ): 16,842,159 (equivalent to 50,526,477 CDIs)	21.27%

\* Vivo includes: Vivo Ventures Fund VII, L.P. (16,482,917 Shares – equivalent to 49,448,751 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (359,242 Shares - equivalent to 1,077,726 CDIs)

**Present relevant interests**

26,536,500 CDIs were allotted on 3 February 2017 in accordance with an announcement by AirXpanders to the ASX on 27 January 2017. The allotment of CDIs diluted the holdings of Vivo. The table below shows the revised percentage changes in voting power resulting from this issue.

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
Vivo*	Power to control disposal and voting of the securities held	Total: equivalent to 50,526,477 CDIs including the followings- CDIs: 38,763,033 Shares of Class A common stock ( <b>Shares</b> ): 3,921,148 (equivalent to 11,763,444 CDIs)	19.12%

\* Vivo includes: Vivo Ventures Fund VII, L.P. (Total 49,448,751 CDIs consists of 37,936,221 CDIs and 3,837,510 Shares – equivalent to 11,512,530 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (Total 1,077,726 CDIs consists of 826,812 CDIs and 83,638 Shares - equivalent to 250,914 CDIs)

Yours sincerely

Dr Albert Cha  
Managing Member, Vivo Ventures VII, LLC  
General Partner of Vivo Ventures Fund VII, L.P. and Vivo Ventures VII Affiliates Fund, L.P.