



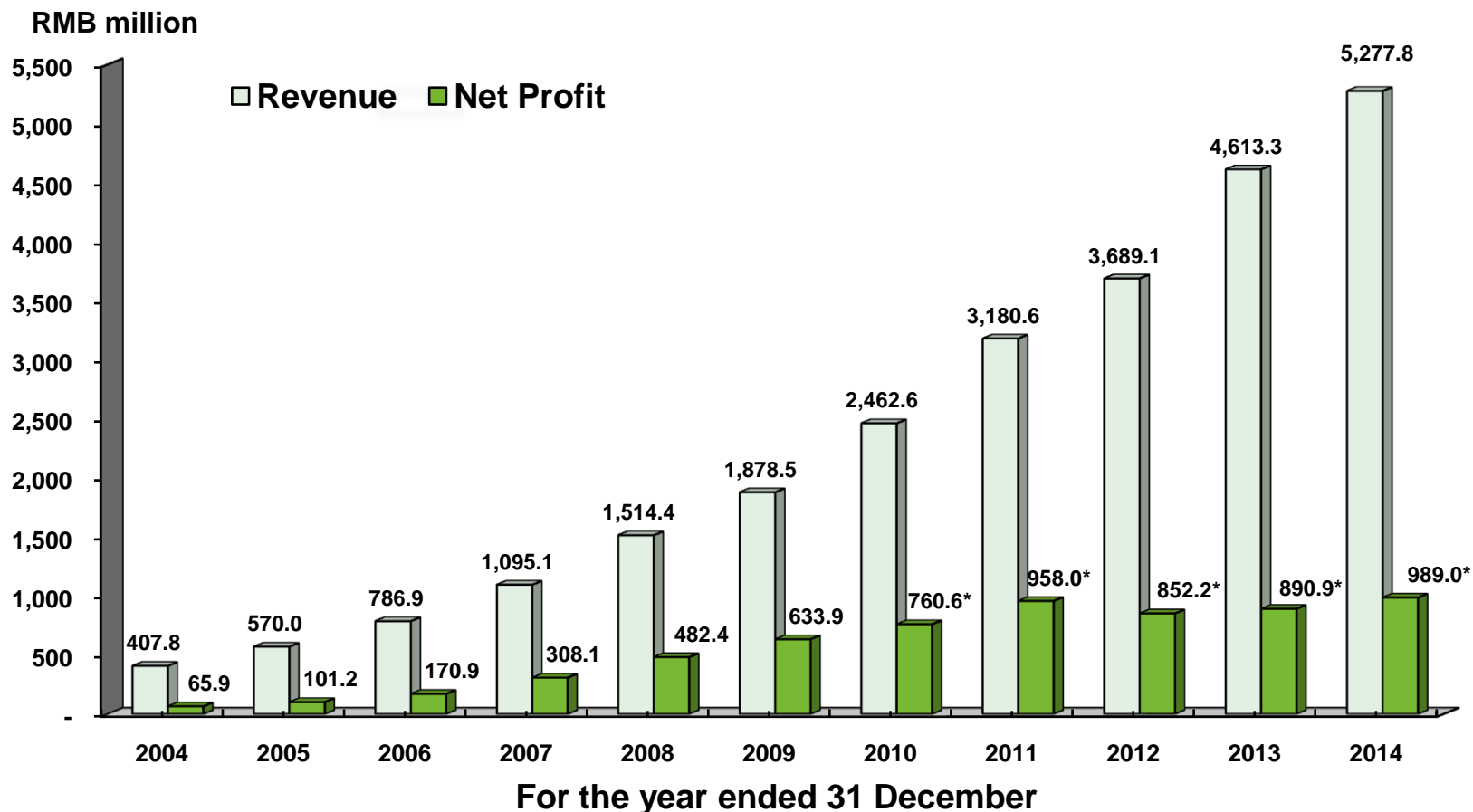
**Leading in Development,
Manufacturing and Marketing of
Single-use Medical Devices in the PRC**

**Annual Results 2014
18 March 2015**

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Continuous Revenue and Earnings Growth



10 Years CAGR

- Turnover : 29.2%↑
- Net Profit : 31.1%↑

2014 vs 2013

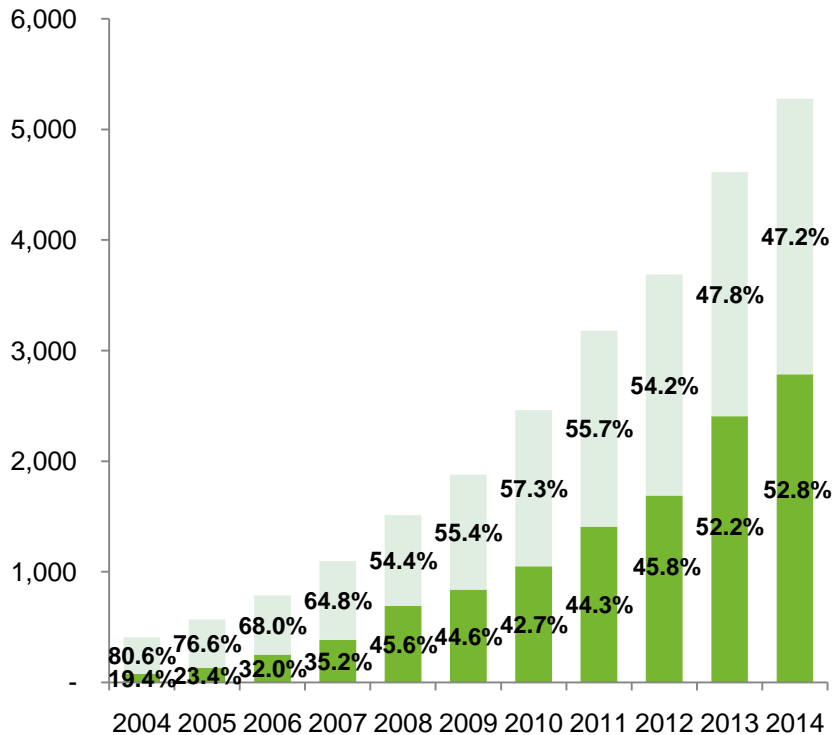
- Turnover : 14.4%↑
- Net profit : 11.0%↑

* net profit excluding extraordinary items

Turnover and GP Analysis

Turnover

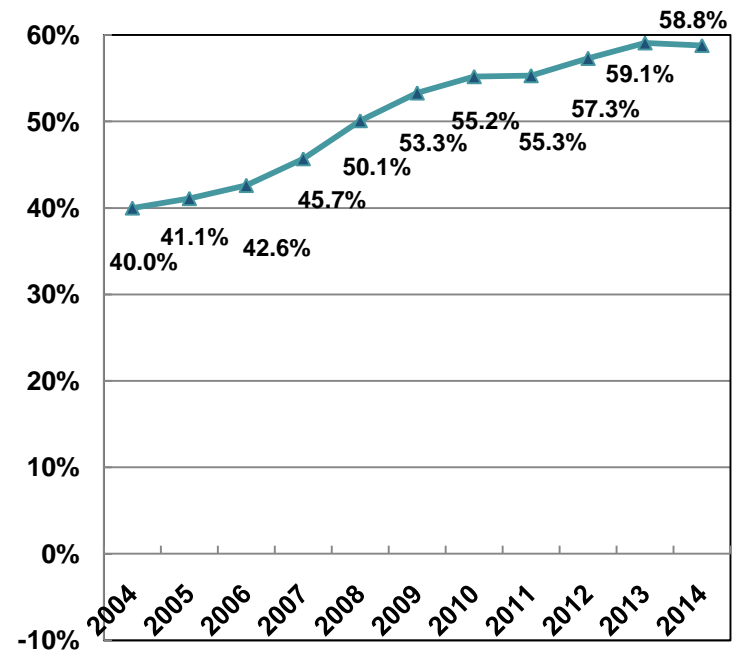
RMB million



For the year ended 31 December

- Conventional products (Gross profit margin < 60%)
- High value-added products (Gross profit margin > 60%)

Gross Profit Margins



For the year ended 31 December

Results Summary

| RMB million | For the 12 months ended 31 Dec 2014 | For the 12 months ended 31 Dec 2013 | Change % |
|--|--|--|----------|
| Revenue | 5,277.8 | 4,613.3 | +14.4 |
| COGS | (2,173.5) | (1,886.4) | +15.2 |
| Gross profit | 3,104.3 | 2,726.9 | (0.3) |
| <i>Gross profit margin</i> | 58.8% | 59.1% | |
| Other revenue | 173.9 | (11.7) | - |
| Distribution costs | (1,417.5) | (1,161.2) | +1.7 |
| <i>% on revenue</i> | 26.9% | 25.2% | |
| Administrative expenses | (324.3) | (291.8) | (0.2) |
| <i>% on revenue</i> | 6.1% | 6.3% | |
| Research & development expenses | (238.1) | (208.9) | - |
| <i>% on revenue</i> | 4.5% | 4.5% | |
| Finance costs | (22.7) | (9.0) | +152.2 |
| Share of results in jointly controlled entities | 4.9 | 2.8 | +75.0 |
| Share of results in associates | (4.9) | 62.3 | - |
| Loss on disposal of an associate | - | (565.2) | - |
| Profit before taxation | 1,275.6 | 544.2 | +134.4 |
| Taxation | (180.8) | (156.5) | +15.5 |
| Non-controlling interest | (9.9) | 0.3 | - |
| Profit after taxation | 1,084.9 | 388.0 | +179.6 |
| Effective Tax rate | 14.2% | 15.0% | (0.8) |

Results Summary

| RMB million | For the 3 months ended 31 Dec 2014 | For the 3 months ended 31 Dec 2013 | Change % |
|--|---------------------------------------|---------------------------------------|----------|
| Revenue | 1,480.2 | 1,213.1 | +22.0 |
| COGS | (592.5) | (502.1) | +18.0 |
| Gross profit | 887.7 | 711.0 | +1.4 |
| <i>Gross profit margin</i> | <i>60.0%</i> | <i>58.6%</i> | |
| Other revenue | 115.3 | (23.5) | - |
| Distribution costs | (399.0) | (310.4) | +1.4 |
| <i>% on revenue</i> | <i>27.0%</i> | <i>25.6%</i> | |
| Administrative expenses | (72.1) | (81.1) | (1.8) |
| <i>% on revenue</i> | <i>4.9%</i> | <i>6.7%</i> | |
| Research & development expenses | (76.2) | (60.4) | +0.1 |
| <i>% on revenue</i> | <i>5.1%</i> | <i>5.0%</i> | |
| Finance costs | (8.3) | (1.8) | +361.1 |
| Share of results in jointly controlled entities | 8.7 | 3.8 | +128.9 |
| Share of results in associates | 0.2 | (28.1) | - |
| Loss on disposal of an associate | - | (565.2) | - |
| Profit before taxation | 456.3 | (355.7) | - |
| Taxation | (60.9) | (38.5) | +58.2 |
| Non-controlling interest | (6.6) | 5.2 | - |
| Profit after taxation | 388.8 | (389.0) | - |

Results Summary

| RMB million | For 12 months ended 31 Dec 2014 | For 12 months ended 31 Dec 2013 | Change % | For 3 months ended 31 Dec 2014 | For 3 months ended 31 Dec 2013 | Change % |
|--|------------------------------------|------------------------------------|-------------|-----------------------------------|-----------------------------------|-------------|
| Share of results in jointly controlled entities | | | | | | |
| - Nikkiso | 6.5 | 6.8 | (4.4) | 2.4 | 3.1 | (22.6) |
| - Terumo | (1.6) | (4.0) | - | 6.3 | 0.7 | +800.0 |
| | 4.9 | 2.8 | +75.0 | 8.7 | 3.8 | +128.9 |
| Share of results in associates | | | | | | |
| - MDT JV | (4.9) | (5.5) | - | 0.2 | (5.5) | - |
| - 21.7% in BIG | - | 67.8 | - | - | (22.6) | - |
| | (4.9) | 62.3 | - | 0.2 | (28.1) | - |

Turnover Breakdown by Products

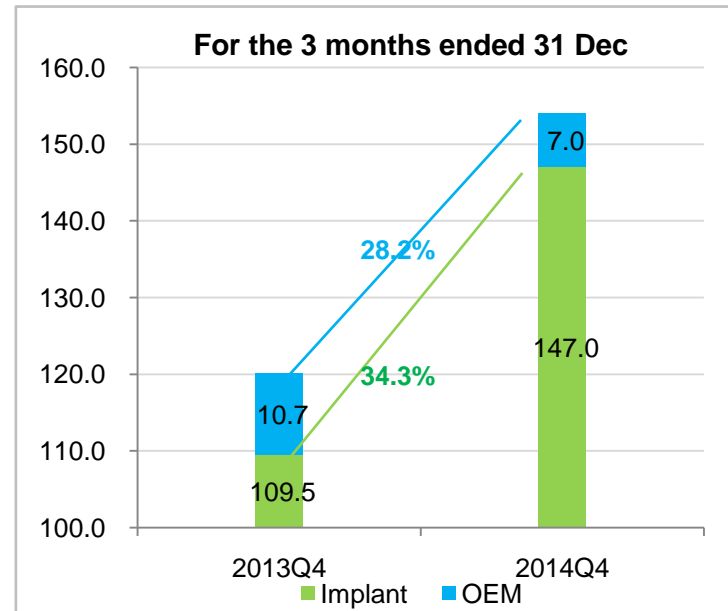
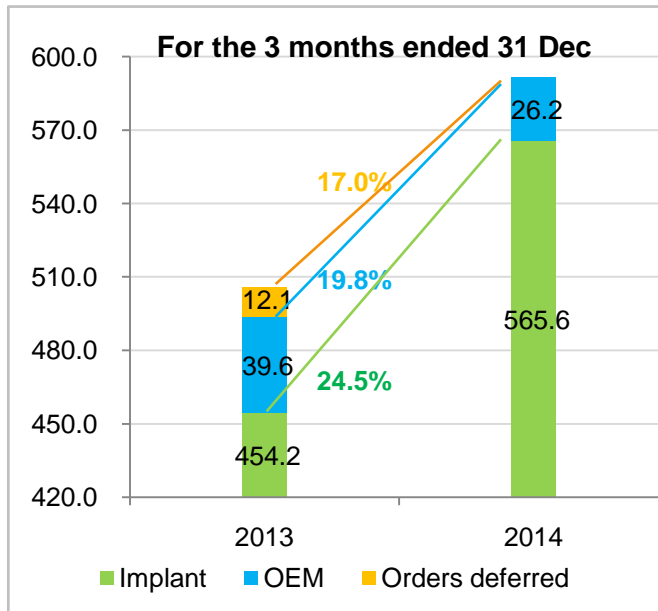
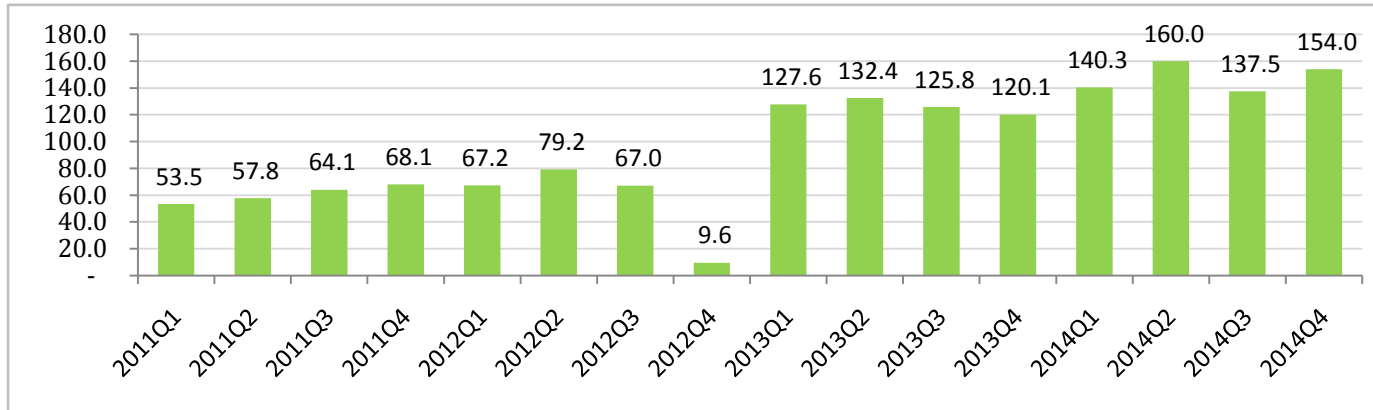
| Products | For the 12 months ended 31 Dec | | | % to turnover | |
|--------------------------------|--------------------------------|---------------|-------------|---------------|-----------|
| | 2014 RMB m | 2013 RMB m | Change % | 2014 % | 2013 % |
| Consumables | | | | | |
| - <i>Infusion sets</i> | 1,480.8 | 1,254.2 | 18.1 | 28.1 | 27.2 |
| - <i>Needles</i> | 731.7 | 722.3 | 1.3 | 13.9 | 15.7 |
| - <i>Syringes</i> | 657.6 | 595.0 | 10.5 | 12.5 | 12.9 |
| - <i>Blood bags</i> | 261.5 | 233.8 | 11.8 | 5.0 | 5.1 |
| - <i>Pre-filled syringes</i> | 241.9 | 209.6 | 15.4 | 4.6 | 4.5 |
| - <i>Wound Management</i> | 97.0 | 77.5 | 25.2 | 1.8 | 1.7 |
| - <i>Blood sampling</i> | 81.3 | 84.5 | (3.8) | 1.5 | 1.8 |
| - <i>PVC granules</i> | 58.1 | 74.4 | (21.9) | 1.1 | 1.6 |
| - <i>Others</i> | 346.8 | 294.8 | 17.6 | 6.5 | 6.4 |
| Subtotal for consumables | 3,956.7 | 3,546.1 | 11.6 | 75.0 | 76.9 |
| Orthopaedic products | 591.8 | 505.9 | 17.0 | 11.2 | 11.0 |
| Blood purification consumables | 604.1 | 450.4 | 34.1 | 11.4 | 9.7 |
| Blood purification equipment | 125.2 | 110.9 | 12.9 | 2.4 | 2.4 |
| Total | 5,277.8 | 4,613.3 | 14.4 | 100.0 | 100.0 |

Turnover Breakdown by Products

| Products | For the 3 months ended 31 Dec | | | % to turnover | |
|--------------------------------|-------------------------------|----------------|-------------|---------------|--------------|
| | 2014 RMB m | 2013 RMB m | Change % | 4Q2014 % | 4Q2013 % |
| Consumables | | | | | |
| - Infusion sets | 438.2 | 317.5 | 38.0 | 29.6 | 26.2 |
| - Needles | 200.6 | 180.3 | 11.3 | 13.6 | 14.9 |
| - Syringes | 174.5 | 149.7 | 16.6 | 11.8 | 12.3 |
| - Blood bags | 71.7 | 66.1 | 8.5 | 4.8 | 5.4 |
| - Pre-filled syringes | 51.0 | 50.9 | 0.2 | 3.4 | 4.2 |
| - Wound Management | 28.2 | 20.2 | 39.6 | 1.9 | 1.7 |
| - Blood sampling | 20.3 | 22.8 | (11.0) | 1.4 | 1.9 |
| - PVC granules | 16.9 | 19.4 | (12.9) | 1.1 | 1.6 |
| - Others | 107.6 | 95.1 | 13.1 | 7.3 | 7.8 |
| Subtotal for consumables | 1,109.0 | 922.0 | 20.3 | 74.9 | 76.0 |
| Orthopaedic products | 154.0 | 120.1 | 28.2 | 10.4 | 9.9 |
| Blood purification consumables | 179.2 | 131.7 | 36.1 | 12.1 | 10.9 |
| Blood purification equipment | 38.0 | 39.2 | (3.1) | 2.6 | 3.2 |
| Total | 1,480.2 | 1,213.0 | 22.0 | 100.0 | 100.0 |

Orthopaedic Products

RMB m



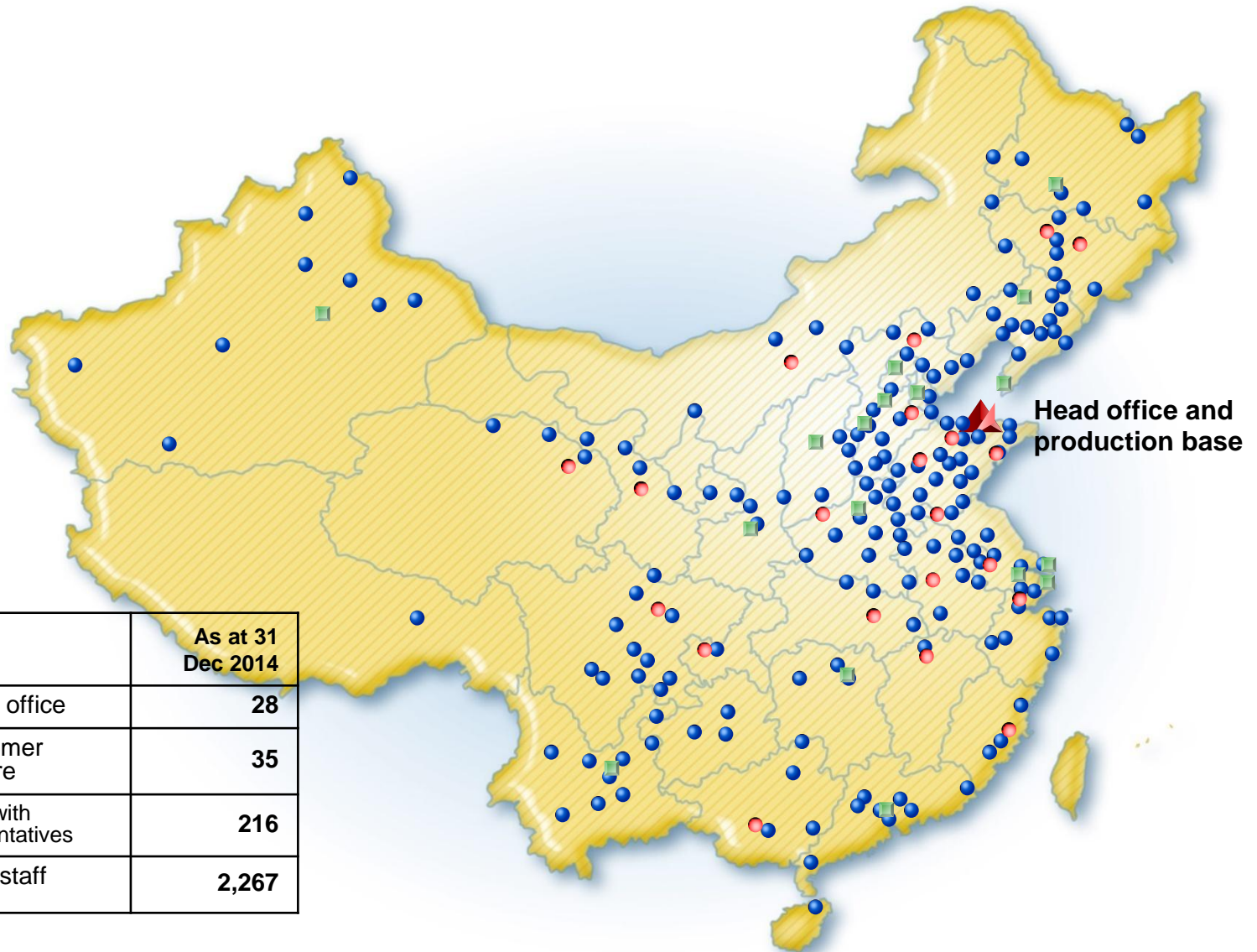
Balance Sheet




| | As at 31 Dec 2014 | As at 31 Dec 2013 | Change |
|--------------------------|-------------------|-------------------|--------|
| | RMB m | RMB m | (%) |
| Non-current assets | 5,271.1 | 5,034.7 | +4.7 |
| Current assets | 6,799.0 | 6,253.4 | +8.7 |
| Cash and bank balances | 2,786.1 | 2,975.6 | (6.4) |
| Capital and reserves | 9,847.9 | 9,040.3 | +8.9 |
| Bank and other borrowing | 419.7 | 399.9 | +5.0 |

Other Financial Figures

| | As at 31 Dec 2014 | As at 31 Dec 2013 |
|------------------------------|--------------------------|-------------------|
| Current ratio | 3.4 | 3.0 |
| Acid ratio | 2.9 | 2.6 |
| Net debts to equity ratio | Net cash position | Net cash position |
| Return on equity | 10.5% | 9.9% |
| Return on assets | 8.5% | 8.2% |
| | 31 Dec 2014 | 31 Dec 2013 |
| Inventory turnover (days) | 147 | 162 |
| Account receivable (days) | 133 | 118 |
| Final dividend (RMB/share) | 3.5 cents | 3.1 cents |
| Interim dividend (RMB/share) | 3.1 cents | 2.9 cents |
| Total dividend (RMB/share) | 6.6 cents | 6.0 cents |

Nationwide Sales Network



| | As at 31 Dec 2014 |
|---|-------------------|
|  No. of sales office | 28 |
|  No. of customer service centre | 35 |
|  No. of cities with sales representatives | 216 |
| No. of sales staff | 2,267 |

Expanding Customer Base

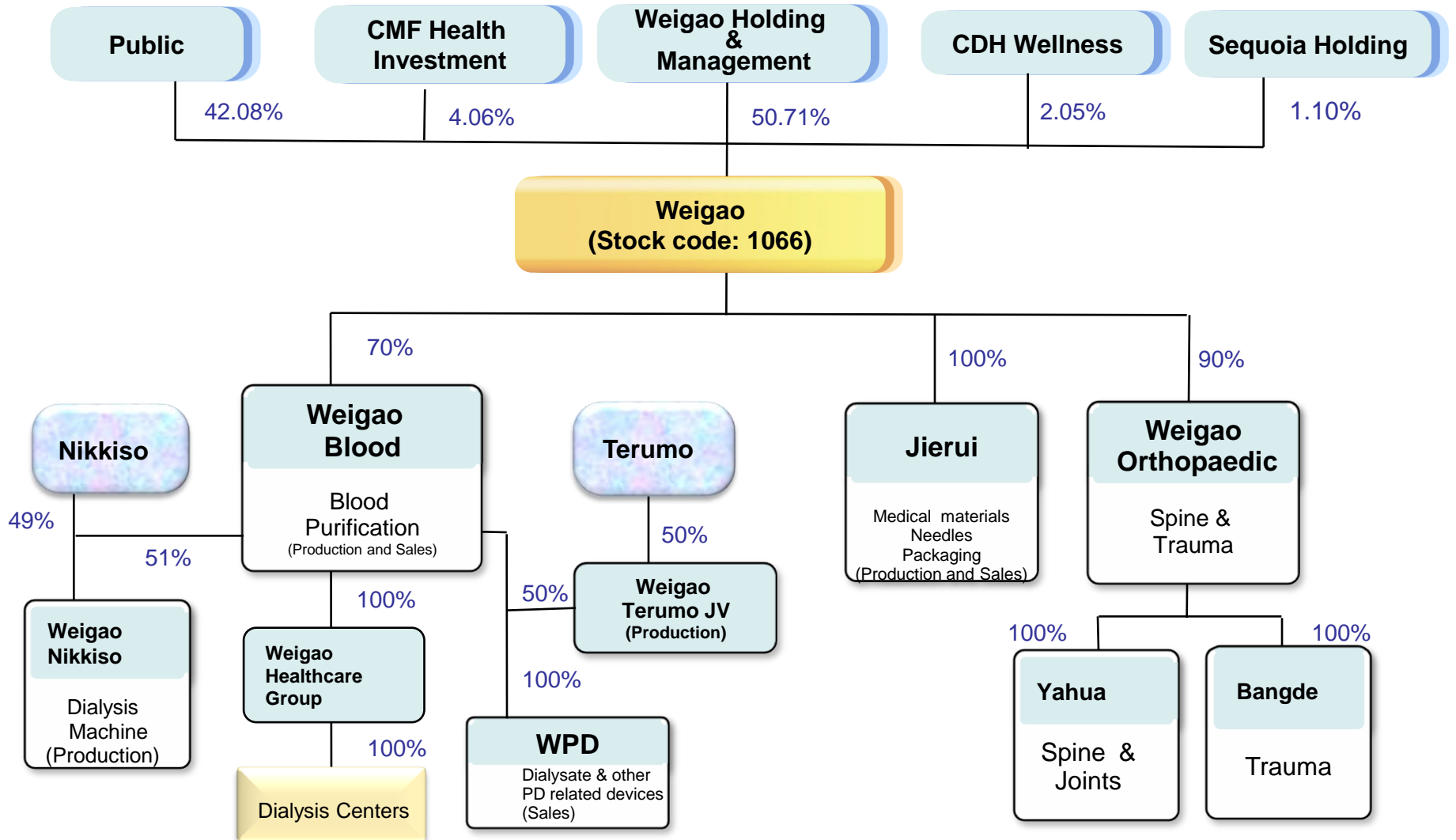
| | Total in China In 2013 | No. of customers | Coverage |
|-------------------------------|------------------------------|---------------------|----------|
| Hospitals | | | |
| • Top tier | 1,787 | 1,020 | 57.1% |
| • Medium | 6,709 | 1,732 | 25.8% |
| • Small | 6,473 | 333 | 5.1% |
| • Other - Not rated | 9,740 | 24 | 0.2% |
| Subtotal | 24,709 | 3,109 | 12.6% |
| Blood centres | 525 | 414 | 78.9% |
| Other medical units | 915,368 | 629 | 0.07% |
| Distribution companies | | 1,075 | |
| Total | | 5,227 | |

Source: Ministry of Health and the Company

New Product Development

| Category | No. of products as at 31 Dec 2014 |
|---|--|
| With product registration certificates | 350 |
| Under application for product registration certificates | 43 |
| Patented products | 378 |
| Under patent application | 91 |

Weigao Group Structure



Appendix - Reconciliation of Net Profit

| | 12 months ended 31 Dec 2014 | 12 months ended 31 Dec 2013 | Change |
|---|--------------------------------|--------------------------------|--------|
| | RMB'000 | RMB'000 | % |
| Profit for the Year | 1,094,820 | 387,679 | +182.4 |
| Non-controlling interest | (9,872) | 305 | - |
| Share of loss from an associate | 4,879 | 5,485 | (11.0) |
| Loss on disposal of an associate | - | 497,422 | - |
| Compensation on repurchase of land and buildings | (100,875) | - | - |
| Net profit excluding extraordinary items | 988,952 | 890,891 | +11.0 |

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