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山東威高集團醫用高分子製品股份有限公司

**Shandong Weigao Group Medical Polymer Company Limited\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code : 1066)**

### **FURTHER INFORMATION ON PAYMENT OF 2010 FINAL DIVIDEND**

Reference is made to the announcement of Shandong Weigao Group Medical Polymer Company Limited (the “**Company**”) dated 7 June 2011 in respect of the payment of the final dividend for the year ended 31 December 2010 (the “**First Announcement**”) and the announcement of the Company dated 20 June 2011 which provided further information on the payment of the final dividend (the “**Second Announcement**”). The Company distributed the final dividend for the year ended 31 December 2010 (the “**2010 Final Dividend**”) to all qualified shareholders of the Company on 30 June 2011 and temporarily withheld 20% of the 2010 Final Dividend distributed to individual holders of H shares of the Company whose names appeared on the register of members of the Company at the close of business on 7 June (the “**Individual H Shareholders**”) with an aggregate amount of HK\$279,543.3, as PRC individual income tax.

According to “The Notice on the Issues Concerning the Collection and Administration of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 45” (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通告》(國稅函[2011]348號)) issued by the State Administration of Taxation of the PRC on 28 June 2011, when non-foreign investment companies of the mainland which are listed in Hong Kong distribute dividends to their shareholders, the individual shareholders in general will be subject to a withholding tax rate of 10% without making any application for the entitlement for the above-mentioned tax rate.

However, the Company is a foreign investment company and, as confirmed by the relevant tax authorities, according to “The Circular of Certain Issues on the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》

(財稅字[1994] 020號)) issued by the Ministry of Finance and the State Administration of Taxation (the “**Circular 94**”), overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign investment enterprises.

On 5 August 2011, the Company received a written notice from its supervising tax authority confirming that the Individual H Shareholders are entitled to rely on Circular 94 and exempted from PRC individual income tax on the 2010 Final Dividend received. As a result, the Company will refund (the “**Refund**”) the amounts that were temporarily withheld at a rate of 20% of the 2010 Final Dividend distributed to the Individual H Shareholders. The Company has made the relevant arrangements with Tricor Standard Limited, the H share registrar and transfer office of the Company, and Bank of China (Hong Kong) Trustees Limited, the receiving agent of the Company in respect of the said Refund. It is expected that the cheques in respect of the said Refund will be dispatched to the Individual H Shareholders on or before Friday, 9 September 2011 by ordinary post at their own risks.

Shareholders are recommended to consult their taxation advisors regarding the owning and disposing of H shares of the Company in the PRC and in Hong Kong and other tax effects.

Other information in respect of the payment of the final dividend as disclosed in the First Announcement and the Second Announcement remains unchanged.

By Order of the Board  
**Shandong Weigao Group Medical Polymer Company Limited**  
*Chen Xue Li*  
*Chairman*

5 August 2011  
Shandong, the PRC

*As at the date of this announcement, the Board comprises:*

*Mr. Zhang Hua Wei (Executive Director)*  
*Mr. Miao Yan Guo (Executive Director)*  
*Mr. Wang Yi (Executive Director)*  
*Mr. Wang Zhi Fan (Executive Director)*  
*Mr. Wu Chuan Ming (Executive Director)*  
*Mr. Chen Xue Li (Non-executive Director)*  
*Mrs. Zhou Shu Hua (Non-executive Director)*  
*Mr. Li Bing Yung (Non-executive Director)*  
*Mr. Jean-Luc Butel (Non-executive Director)*  
*Mr. Shi Huan (Independent non-executive Director)*  
*Mr. Luan Jian Ping (Independent non-executive Director)*  
*Mr. Li Jia Miao (Independent non-executive Director)*  
*Mr. Lo Wai Hung (Independent non-executive Director)*

*\* For identification purpose*