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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)

ANNOUNCEMENT

PRELIMINARY RESULTS OF SHANDONG WEIGAO ORTHOPAEDIC DEVICE COMPANY LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

This announcement is made by Shandong Weigao Group Medical Polymer Company Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Shandong Weigao Orthopaedic Device Company Limited (山東威高骨科材料股份有限公司) (“**Weigao Orthopaedic**”) is a subsidiary of the Company and its shares are listed on the SSE STAR Market (stock code: 688161). In compliance with the relevant requirements of Shanghai Stock Exchange, Weigao Orthopaedic has published its preliminary results announcement for the year ended 31 December 2021 (the “**Preliminary Results Announcement**”) on the information disclosure webpage of Shanghai Stock Exchange’s website at <http://star.sse.com.cn/disclosure/listannouncement/>.

The board of directors of the Company would like to draw the attention of its shareholders and public investors to the appendix of this announcement (the “**Appendix**”), which sets out the Preliminary Results Announcement prepared by Weigao Orthopaedic in accordance with the PRC Accounting Standards for Business Enterprises.

* For identification purpose only

Please note that the Preliminary Results Announcement in the Appendix was originally prepared by Weigao Orthopaedic in Chinese. If there is any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

By Order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Long Jing
Chairman

Weihai, Shandong, the PRC, 22 February 2022

As at the date hereof, the Board comprises:

Mr. Long Jing (*Executive Director*)
Mr. Cong Rinan (*Executive Director*)
Mr. Tang Zheng Peng (*Non-executive Director*)
Mr. Chen Lin (*Non-executive Director*)
Mr. Lian Xiaoming (*Non-executive Director*)
Mr. Lo Wai Hung (*Independent non-executive Director*)
Mrs. Fu Ming Zhong (*Independent non-executive Director*)
Mrs. Wang Jin Xia (*Independent non-executive Director*)

SHANDONG WEIGAO ORTHOPAEDIC DEVICE COMPANY LIMITED

PRELIMINARY RESULTS ANNOUNCEMENT

FOR THE YEAR OF 2021

The Company's board of directors and all of the directors warrant that this announcement does not contain any false statements, misleading representations or material omissions, and shall be legally responsible for the truthfulness, accuracy and completeness hereof in accordance with the laws.

The major financial data for the year of 2021 set forth in this announcement is only preliminary accounting data and has not been audited by an accounting firm. The specific data shall be based on those data in the 2021 annual report of Shandong Weigao Orthopaedic Device Company Limited (the "Company"). Investors are advised to pay attention to the investment risks involved.

I. MAJOR FINANCIAL DATA AND INDICATORS FOR 2021

Unit: RMB10,000

Item	Current reporting period	Corresponding period last year	Rate of increase/decrease (%)
Total operating revenue	215,313.54	182,377.63	18.06
Operating profit	82,209.51	66,667.18	23.31
Total profit	82,054.99	66,602.96	23.20
Net profit attributable to owners of the parent company	70,368.97	55,840.47	26.02
Net profit attributable to owners of the parent company after deducting non-recurring gains and losses	69,163.46	53,898.19	28.32
Basic earnings per share (RMB)	1.86	1.56	19.23
Weighted average return on net assets	20.11%	25.78%	a decrease of 5.67 percentage points

	End of the Current reporting period	Beginning of the current reporting period	Rate of increase/decrease (%)
Total assets	541,547.65	318,694.35	69.93
Owner's equity attributable to the parent company	453,963.00	245,379.73	85.00
Share capital	40,000.00	35,858.58	11.55
Net assets per share attributable to owners of the parent company (RMB)	11.35	6.84	65.94

Notes: 1. The data for the beginning of the current reporting period represent the opening financial statement data for the year in which the new lease standard is first implemented from 2021.

2. The above financial data and indicators are set out based on those data in the consolidated statements, but they have not been audited. The final data shall be based on those data in the 2021 annual report of the Company.

3. Any discrepancy arising in the decimal figures of the above rate of increase/decrease is due to the effect of rounded figures.

II. DETAILS OF THE OPERATING RESULTS AND FINANCIAL POSITION

(I) Operating conditions, financial position and major factors affecting operating results during the reporting period

During the reporting period, the Company achieved total operating revenue of RMB2,153,135,400, representing an increase of 18.06% over the same period last year. The net profit attributable to owners of the parent company amounted to RMB703,689,700, representing an increase of 26.02% over the same period last year. In 2021, various medical institutions have resumed normal operations and there is an increasing trend in surgeries as the pandemic in the PRC was generally contained under effectively prevention measures. The Company firmly implemented the sales sinking strategy, strengthened the expansion of sales channels and the development of county-level hospitals. Meanwhile, the Company continued to increase investment in research and development, maintained strong consistent innovation capabilities and promoted the effective transformation of innovation outcomes to ensure stable growth of the Company's results.

As at the end of the reporting period, the Company had total assets of RMB5,415,476,500, representing an increase of 69.93% from the beginning of the reporting period, owner's equity attributable to the parent company of RMB4,539,630,000, representing an increase of 85.00% from the beginning of the reporting period, and net assets per share attributable to owners of the parent company of RMB113,500, representing an increase of 65.94% from the beginning of the reporting period.

(II) Explanation of the principal reasons for the increase or decrease by more than 30% in the items in the above table

1. As at the end of the reporting period, the total assets increased by 69.93% as compared to the beginning of the reporting period, mainly attributable to the receipt of the funds raised from the initial public offering of shares by the Company during the reporting period.

2. As at the end of the reporting period, the owner's equity attributable to the parent company increased by 85.00% on a year-on-year basis, and the net assets per share attributable to owners of the parent company increased by 65.94% on a year-on-year basis, mainly attributable to the receipt of the funds raised from the initial public offering of shares by the Company and the increase in undistributed profit as a result of the increase in profit during the reporting period.

III. RISK WARNING

The major financial information set forth in this announcement is the preliminary accounting data and has not been audited by an accounting firm. The specific information will be disclosed in the 2021 annual report of the Company. Investors are advised to pay attention to the investment risks involved.

Announcement is hereby made.

The board of directors of
Shandong Weigao Orthopaedic Device Company Limited
23 February 2022