



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

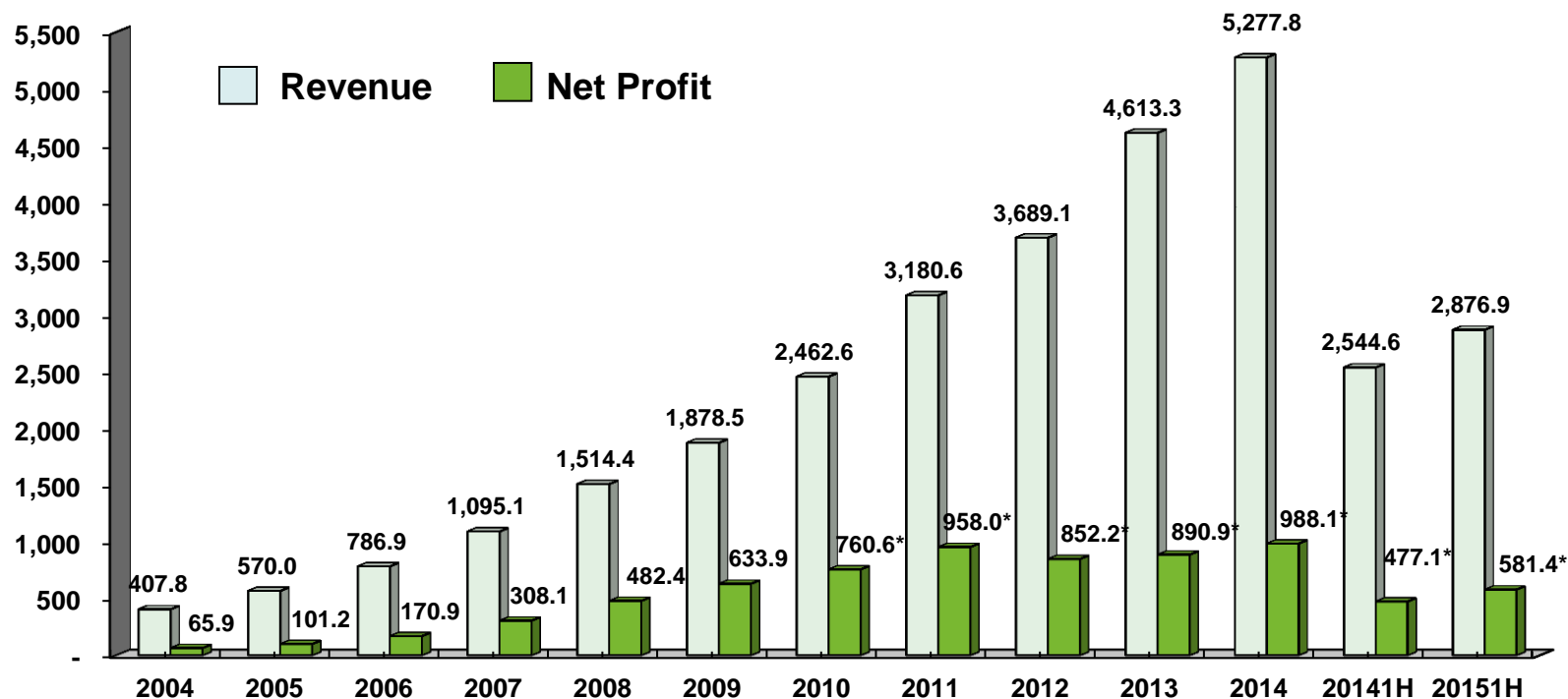
**Interim Results 2015
19 August 2015**

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Continuous Revenue and Earnings Growth

RMB million



For the year ended 31 December

10 Years CAGR

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

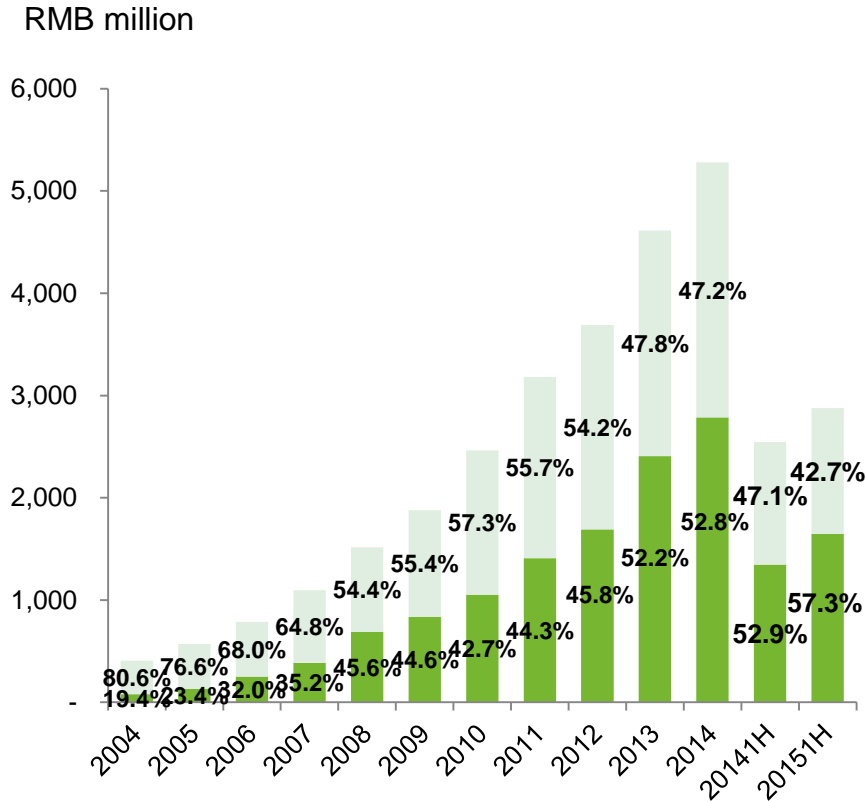
* net profit excluding extraordinary items

1H2015 vs 1H2014

- Turnover : 13.1%↑
- Net profit : 21.9%↑

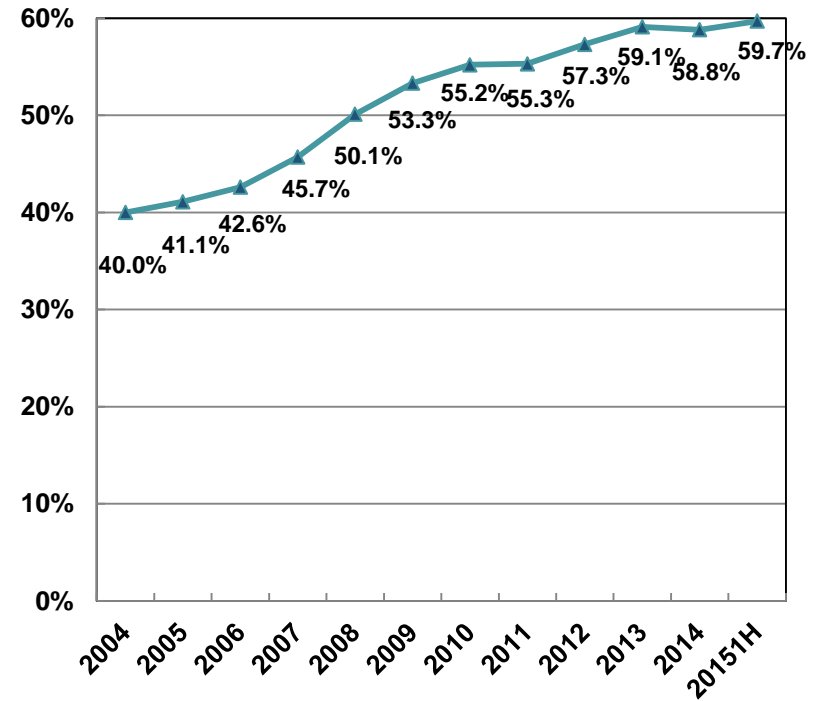
Turnover and GP Analysis

Turnover



For the year ended 31 December

Gross Profit Margins



For the year ended 31 December

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

Results Summary

| RMB million | For the 6 months ended 30 Jun 2015 | For the 6 months ended 30 Jun 2014 | Change % |
|---|--|--|----------|
| Revenue | 2,876.9 | 2,544.6 | +13.1 |
| COGS % on revenue | (1,159.5) 40.3% | (1,048.0) 41.2% | (0.9) |
| Gross profit <i>Gross profit margin</i> | 1,717.4 59.7% | 1,496.6 58.8% | +0.9 |
| Other revenue | 50.6 | 19.9 | +154.3 |
| Distribution costs % on revenue | (747.0) 26.0% | (680.9) 26.8% | (0.8) |
| Administrative expenses % on revenue | (179.9) 6.3% | (148.8) 5.8% | +0.5 |
| Research & development expenses % on revenue | (134.5) 4.7% | (111.0) 4.4% | +0.3 |
| Finance costs | (8.6) | (9.8) | (12.2) |
| Share of results in jointly controlled entities | 1.9 | (3.7) | - |
| Share of results in associates | 0.4 | (4.2) | - |
| Profit on disposal of a subsidiary | 2.5 | - | - |
| Profit before taxation | 702.8 | 558.0 | +25.9 |
| Taxation | (99.7) | (82.7) | +20.6 |
| Non-controlling interest | (18.7) | (2.4) | +679.2 |
| Profit after taxation | 584.4 | 472.9 | +23.6 |
| Profit before Taxation and JVs <i>Net profit margin</i> | 698.0 24.3% | 565.9 22.2% | +2.1 |
| Effective tax rate | 14.3% | 14.6% | (0.3) |

Results Summary

| RMB million | For 6 months ended 30 Jun 2015 | For 6 months ended 30 Jun 2014 | Change % |
|--|-----------------------------------|-----------------------------------|-------------|
| Share of results in jointly controlled entities | | | |
| - Nikkiso | 2.6 | 2.8 | (7.1) |
| - Terumo | (0.7) | (6.5) | (89.2) |
| | 1.9 | (3.7) | - |
| Share of results in associate | | | |
| - MDT JV | 0.4 | (4.2) | - |
| | 0.4 | (4.2) | - |

Turnover Breakdown by Products

| Products | For the 6 months ended 30 Jun | | | % to turnover | |
|--------------------------------|-------------------------------|----------------|-------------|---------------|--------------|
| | 2015 RMB m | 2014 RMB m | Change % | 1H2015 % | 1H2014 % |
| Consumables | | | | | |
| - Infusion sets | 766.1 | 695.0 | 10.2 | 26.6 | 27.3 |
| - Needles | 412.7 | 377.9 | 9.2 | 14.3 | 14.9 |
| - Syringes | 334.3 | 319.2 | 4.7 | 11.6 | 12.5 |
| - Pre-filled syringes | 165.8 | 138.1 | 20.0 | 5.8 | 5.4 |
| - Blood bags | 160.5 | 124.8 | 28.6 | 5.6 | 4.9 |
| - Wound Management | 45.1 | 46.0 | (1.8) | 1.6 | 1.8 |
| - Blood sampling | 34.4 | 40.7 | (15.4) | 1.2 | 1.6 |
| - PVC granules | 27.1 | 23.7 | 14.2 | 0.9 | 0.9 |
| - Other consumables | 178.9 | 163.0 | 9.8 | 6.2 | 6.5 |
| Subtotal for consumables | 2,124.9 | 1,928.4 | 10.2 | 73.8 | 75.8 |
| Orthopaedic products | 356.0 | 300.3 | 18.5 | 12.4 | 11.8 |
| Blood purification consumables | 322.1 | 262.3 | 22.8 | 11.2 | 10.3 |
| Blood purification equipment | 73.9 | 53.6 | 37.8 | 2.6 | 2.1 |
| Total | 2,876.9 | 2,544.6 | 13.1 | 100.0 | 100.0 |

Other financial figures

| | As at 30 Jun 2015 | As at 30 Jun 2014 |
|------------------|-------------------|-------------------|
| Current ratio | 3.2 | 3.0 |
| Acid ratio | 2.9 | 2.6 |
| Return on equity | 5.8% | 5.2% |
| Return on assets | 4.5% | 4.2% |

| | 30 Jun 2015 | 30 Jun 2014 |
|------------------------------|-------------|-------------|
| Inventory turnover (days) | 135 | 151 |
| Accounts receivable (days) | 145 | 125 |
| Interim dividend (RMB/share) | 3.9 cents | 3.1 cents |

Nationwide Sales Network



| | As at 30 Jun 2015 |
|--|-------------------|
| ■ No. of sales office | 28 |
| ● No. of customer service centre | 35 |
| ● No. of cities with sales representatives | 222 |
| No. of sales staff | 2,378 |

Expanding Customer Base

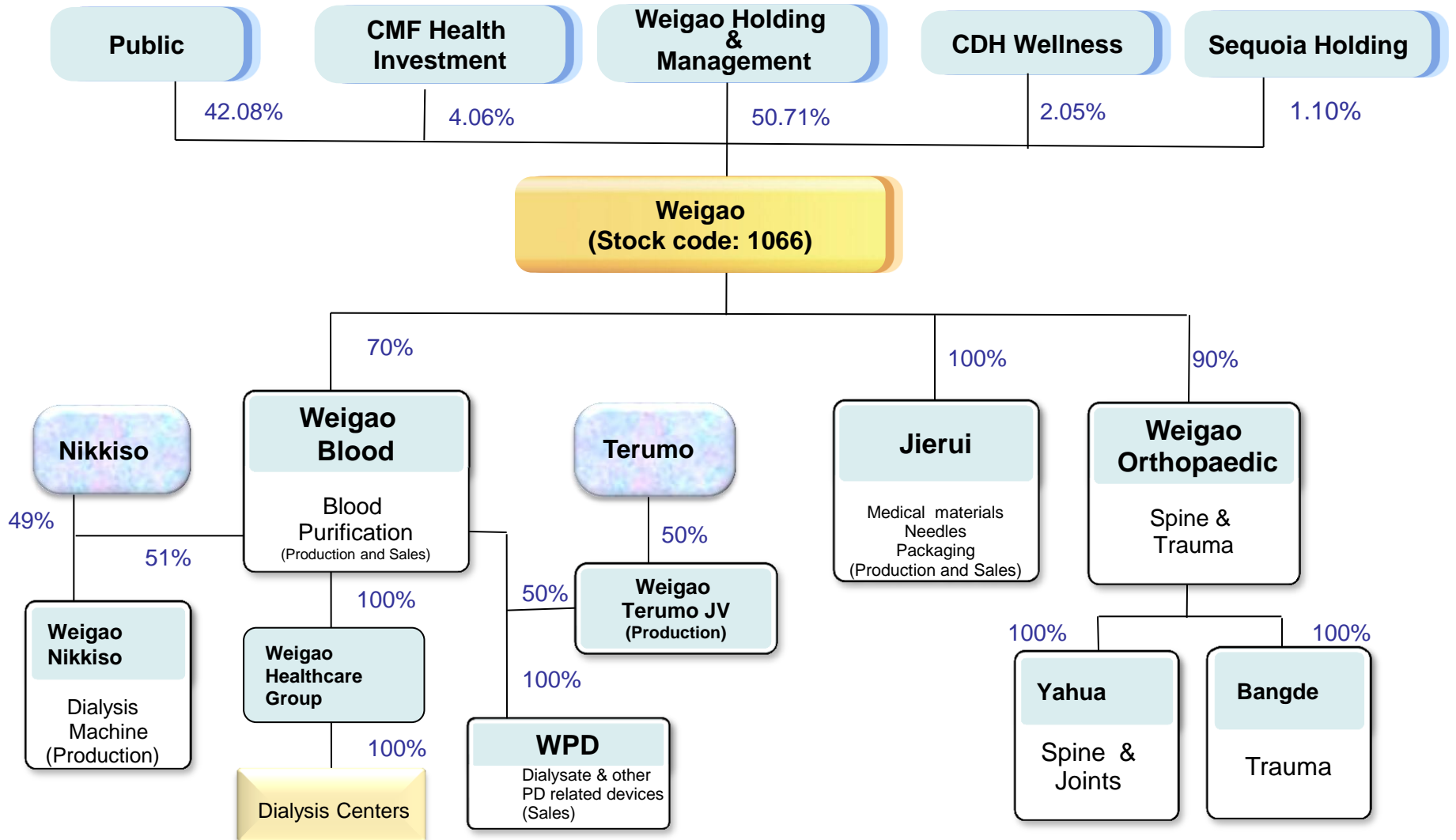
| | Total in China at 31 May 2015 | No. of customers | Coverage |
|-------------------------------|-------------------------------------|---------------------|--------------|
| Hospitals | | | |
| • Top tier | 2,002 | 1,020 | 50.9% |
| • Medium | 6,971 | 1,736 | 24.9% |
| • Small | 7,308 | 340 | 4.7% |
| • Other - Not rated | 10,198 | 24 | 0.2% |
| Subtotal | 26,479 | 3,120 | 11.8% |
| Blood centres | 525 | 414 | 78.9% |
| Other medical units | 921,927 | 636 | 0.07% |
| Distribution companies | | 1,097 | |
| Total | | 5,267 | |

Source: Ministry of Health and the Company

New Product Development

| Category | No. of products as at 30 Jun 2015 |
|---|--|
| With product registration certificates | 367 |
| Under application for product registration certificates | 44 |
| Patented products | 399 |
| Under patent application | 93 |

Weigao Group Structure



Appendix I - Reconciliation of Net Profit

| | 6 months ended 30 Jun 2015 | 6 months ended 30 Jun 2014 | Change |
|--|-------------------------------|-------------------------------|--------|
| | RMB'000 | RMB'000 | % |
| Profit for the Period | 603,120 | 475,345 | +26.9 |
| Non-controlling interest | (18,746) | (2,444) | +667.0 |
| Profit on disposal of a subsidiary | (2,535) | - | - |
| Share of profit or loss from an associate | (402) | 4,230 | - |
| Net profit excluding extraordinary items | 581,437 | 477,131 | +21.9 |

Appendix II – Healthcare Professionals Training

| | 12 months ended 31 Dec 2013 | 12 months ended 31 Dec 2014 | 6 months ended 30 Jun 2015 |
|---------------|--|--|---------------------------------------|
| Administrator | 127 | 325 | 173 |
| Chief nurse | 200 | 209 | 116 |
| Total | 327 | 534 | 289 |

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