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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Shandong Weigao Group Medical Polymer Company Limited\*, you should at once hand this circular and the enclosed proxy form and reply slip to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**WEGO 威高**

**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)**

**(1) PROPOSED ADOPTION OF SHARE OPTION SCHEME OF  
A SUBSIDIARY**  
**(2) PROPOSED GRANT OF SHARE OPTIONS OF A SUBSIDIARY  
AND**  
**(3) NOTICE OF THE SECOND EGM**

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The notice convening the Second EGM to be held at 2/F, 18 Xingshan Road, Torch Hi-tech Science Park, Weihai, Shandong Province, the People's Republic of China on Monday, 16 April 2018, are set out on pages 22 to 24 of this circular.

Whether or not you are able to attend the Second EGM, you are strongly urged to complete and sign the enclosed forms of proxy in accordance with the instructions printed thereon. For holders of H Shares, please return it to the Company's H Share registrar, Tricor Standard Limited, 22nd Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong; and for holders of Non-listed Shares, the proxy form shall be delivered to the registered office of the Company at 2/F, 18 Xingshan Road, Weihai Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting(s) or any adjourned meeting(s) (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting(s) or any adjourned meeting(s) should you so wish.

28 February 2018

\* For identification purpose only

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context otherwise requires:*

“Argon”	Argon Medical Devices Holdings, Inc., a Delaware corporation and is a direct wholly owned subsidiary of WW Medical
“associate”	has the meaning ascribed to it under the Listing Rules
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors
“Company”	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 established in the PRC with limited liability, the H Shares of which are listed on Main Board of the Stock Exchange (Stock Code: 1066)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Effective Date”	the date of the passing of the ordinary resolution to approve and adopt the WW Medical Share Option Scheme
“Eligible Participant”	means the directors, consultants, advisors and key employees of WW Medical and its Subsidiaries, whether or not employees, who render services to WW Medical or its Subsidiary, and who have contributed or may be expected to contribute materially to the success of WW Medical or its Subsidiary
“Grantee”	an Eligible Participant selected by the WW Medical Committee in its sole discretion in accordance with the terms and conditions of the WW Medical Share Option Scheme who accepts the offer of the grant of WW Medical Share Options

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## DEFINITIONS

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“H Shares”	the foreign invested shares of RMB0.10 each in the share capital of the Company which are listed on the Stock Exchange and are traded in HK\$
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26 February 2018, being the latest practicable date for ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Leondis”	Mr. George A. Leondis
“Non-listed Domestic Shares”	the non-listed domestic shares of RMB0.10 each in the capital of the Company
“Non-listed Foreign Shares”	the non-listed foreign-invested shares of RMB0.10 each in the capital of the Company
“Non-listed Shares”	the Non-listed Domestic Shares and the Non-listed Foreign Shares
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Grant”	the proposed grant of WW Medical Share Options to subscribe for an aggregate of 1,200,000 WW Medical shares to Mr. Leondis

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## DEFINITIONS

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“Second EGM”	the extraordinary general meeting of the Company to be held at 2/F, 18 Xingshan Road, Torch Hi-tech Science Park, Weihai, Shandong Province, the People’s Republic of China on Monday, 16 April 2018 at 10:30 a.m., after the extraordinary general meeting and class meetings of the Company in relation to the proposed amendments to its articles of association
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	shares of RMB0.10 each in the share capital of the Company, comprising the Non-listed Shares and the H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per WW Medical Share at which a Grantee may subscribe for WW Medical Shares on the exercise of an option pursuant to the WW Medical Share Option Scheme
“Subsidiary”	means a corporation or other business organization of which the WW Medical owns, directly or indirectly through an unbroken chain of ownership, fifty percent or more of the total combined voting power of all classes of stock, partnership interests or other equity interests
“WW Medical”	WW Medical and Healthcare Company Limited, a company incorporated in the Cayman Islands
“WW Medical Board”	the board of directors of WW Medical
“WW Medical Committee”	the committee consisting of the WW Medical Board or such individual WW Medical Directors who shall from time to time be designated by the WW Medical Board to administer the WW Medical Share Option Scheme
“WW Medical Directors”	the directors of WW Medical

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## DEFINITIONS

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“WW Medical Options”	option(s) to subscribe for the WW Medical Shares granted pursuant to the WW Medical Share Option Scheme from time to time
“WW Medical Share Option Scheme”	the share option scheme of WW Medical proposed to be adopted by the Shareholders at Second EGM
“WW Medical Shares”	shares in the capital of WW Medical designated as common shares of par value of US\$0.001 per share

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LETTER FROM THE BOARD

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**WEGO 威高**

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)

*Executive Directors:*

Mr. Zhang Hua Wei (*Chairman*)

Mr. Wang Yi

Mr. Gong Jian Bo

*Non-executive Director:*

Mrs. Zhou Shu Hua

*Independent non-executive Directors:*

Mr. Lo Wai Hung

Mrs. Fu Ming Zhong

Mrs. Wang Jin Xia

*Registered Office:*

18 Xingshan Road

Torch Hi-tech Science Park

Weihai

Shandong Province

PRC

*Principal place of business*

*in Hong Kong:*

801, Chinachem Century Tower

178 Gloucester Road

Wanchai

Hong Kong

28 February 2018

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED ADOPTION OF SHARE OPTION SCHEME OF  
A SUBSIDIARY  
AND  
(2) PROPOSED GRANT OF SHARE OPTIONS OF A SUBSIDIARY**

**1. INTRODUCTION**

Reference is made to the announcement of the Company dated 24 January 2018 in relation to the completion of the acquisition of Argon Medical Devices Holdings, Inc..

As disclosed in the announcement of the Company dated 26 February 2018, WW Medical proposes to adopt the WW Medical Share Option Scheme.

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## LETTER FROM THE BOARD

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As WW Medical is a Subsidiary of the Company, the WW Medical Share Option Scheme is a share option scheme governed by Chapter 17 of the Listing Rules. Accordingly, the adoption of WW Medical Share Option Scheme is subject to the Shareholders' approval in accordance with Rule 17.1(4) of the Listing Rules.

As disclosed in the announcement of the Company dated 26 February 2018, upon the WW Medical Share Option Scheme becoming effective, 1,200,000 WW Medical Share Options are proposed to be granted to Mr. Leondis.

The purpose of this circular is to provide you with information on the WW Medical Share Option Scheme and the Proposed Grant.

### **2. THE WW MEDICAL SHARE OPTION SCHEME**

#### **(i) Effective Date**

The WW Medical Share Option Scheme shall take effect on the date of the passing of the ordinary resolution to approve and adopt the WW Medical Share Option Scheme.

#### **(ii) Principal terms of the WW Medical Share Option Scheme**

A summary of the principal terms of the WW Medical Share Option Scheme is set out in the Appendix of this circular. A copy of the WW Medical Share Option Scheme is available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 801, Chinachem Century Tower 178 Gloucester Road, Wanchai, Hong Kong, from (and including) the date of this circular to the date of the Second EGM and at the Second EGM.

The WW Medical Share Option Scheme complies with the requirements under Chapter 17 of the Listing Rules.

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## LETTER FROM THE BOARD

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### 3. REASONS FOR ADOPTING THE SHARE OPTION SCHEME

WW Medical is a joint venture formed between Weigao International Medical Company Limited and a joint venture partner. It is held as to approximately 90% by Weigao International Medical Company Limited, which is a direct wholly owned subsidiary of the Company, and approximately 10% by the joint venture partner. The joint venture partner is a limited partnership established in the Cayman Islands. WW Medical and its Subsidiaries are principally engaged in the research and development, manufacture and sale and distribution of medical devices for the use in interventional oncology and vascular interventional procedures. Argon's market leading product portfolio mainly consists of biopsy products, vascular clot management devices, drainage catheters and guidewires and other accessories.

The purpose of the WW Medical Share Option Scheme is to provide an incentive to the directors, consultants, advisors and key employees of WW Medical and its Subsidiaries to continue their association with WW Medical and its Subsidiaries by providing opportunities for such persons to participate in the ownership of the WW Medical and in its further growth, and to offer an additional inducement in obtaining the services of such persons.

As at the Latest Practicable Date, WW Medical did not have a share option scheme.

Completion of the acquisition of Argon took place on 23 January 2018. The Company will continue to monitor and evaluate the prospects and business development of Argon. It will also evaluate various financing options including amongst others the listing of WW Medical on a stock exchange. As at the Latest Practicable Date, the Company has no intention to seek a separate listing of WW Medical on any stock exchange.

Upon the WW Medical Share Option Scheme becoming effective, WW Medical Shares will be allotted and issued upon exercise of the WW Medical Share Options.

### 4. PROPOSED GRANT OF WW MEDICAL SHARE OPTIONS

#### (i) The Proposed Grant

Subject to the WW Medical Share Option Scheme becoming effective, it is proposed that 1,200,000 WW Medical Share Options be granted to Mr. Leondis, who is a director and the chief executive officer of Argon, which is a wholly owned Subsidiary of WW Medical.

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## LETTER FROM THE BOARD

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Details of the Proposed Grant are set out below:

Date of grant : on the date of the passing of the ordinary resolution to approve the Proposed Grant.

Exercise price : US\$10.0 per WW Medical Share, which was determined with reference to the pro-rata total cash consideration paid by the Company for the formation of WW Medical for the acquisition of Argon, taking into account the relevant costs and expenses involved.

Further details of the formation of WW Medical and the acquisition of Argon is set out in the announcement of the Company dated 22 September 2017. As disclosed in the announcement, the consideration was determined with reference to (1) the valuation of acquisitions of comparable industry peers; (2) the historical performance of Argon; and (3) the future development outlook of the business of the Argon Group under the overall competitive environment and market condition, representing the fair market value of Argon considered by the Company.

Number of WW Medical Share Options : 1,200,000 WW Medical Share Options, with each WW Share Option entitling Mr. Leondis to subscribe for one WW Medical Share.

The number of WW Medical Share Options proposed to be granted was determined with reference to Mr. Leondis length of service with Argon, his expertise in the medical device industry, experience in merger and acquisitions, track record with respect to the work performed, commitment and contributions to the development of Argon, and the performance of Argon as a whole. Please also refer to the section headed “Reasons of the Proposed Grant” for further details.

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## LETTER FROM THE BOARD

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Upon full exercise of the WW Medical Share Options, 1,200,000 WW Medical Shares will be issued, representing 2.61% of the total issued shares of WW Medical as at the Latest Practicable Date and 2.54% of the total issued shares of WW Medical as enlarged by the issue of the WW Medical Shares under the Proposed Grant.

In determining the Proposed Grant, the Company has considered industry peers in the Hong Kong market with comparable product offering to Argon.

The Company has also taken into consideration of the chief executive's shareholding in the medical devices manufacturers in the U.S. market and the Hong Kong market. In selecting the comparable in the U.S. markets, the Company selected two listed companies which are primarily engaged in medical devices manufacturing, which are both highly comparable to Argon in terms of the business model, key customers and geographical presence in developed markets. In selecting the comparable in the Hong Kong market, the Company selected a company which manufactures interventional and minimally invasive devices for keyhole surgery, with products used to treat vascular diseases and is developing devices to treat diabetes and orthopedic diseases, which are highly comparable to Argon's interventional product offering in the vascular segment.

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## LETTER FROM THE BOARD

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In addition, as stated in the announcement dated 22 September 2017, the Company considered the acquisition of Argon will allow the Company to leverage on Argon's management team in identifying and executing global acquisitions. The Company also took into account of Mr. Leondis' nine years of service to Argon and the importance of retaining experts in the highly specialised field of business of Argon. The Company considers the size of the Proposed Grant would allow the Company to retain the core talents in Argon's management and will allow the Company to achieve the potential synergies and the purpose of the acquisition of Argon.

Accordingly, the Company considered that the grant of the WW Medical Share Options representing 2.61% of the total issued shares of WW Medical upon full exercise to be within the range observed among these companies.

- Vesting schedule :
- a. 25% of the WW Medical Share Options shall vest and be exercisable on the first anniversary of the grant date;
  - b. an additional 25% of the WW Medical Share Options shall vest and be exercisable on the second anniversary of the grant date;
  - c. an additional 25% of the WW Medical Share Options shall vest and be exercisable on the third anniversary of the grant date; and
  - d. the remaining 25% of the WW Medical Share Options shall vest and be exercisable on the fourth anniversary of the grant date.

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## LETTER FROM THE BOARD

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Vesting of the WW Medical Share Options is conditional upon achievement of certain performance targets. The performance targets for vesting include annual financial targets of Argon as determined by the WW Medical Board (including revenue, EBITDA and profits) to be made with reference to the annual financial results of the Argon.

- Exercise period : exercisable within a period of ten years from the date of grant, subject to the vesting schedule.
- Consideration : Upon acceptance of the Proposed Grant, Mr. Leondis shall pay US\$1.0 to WW Medical as consideration for the grant.
- Conditions : The Proposed Grant is conditional upon:
- (a) the Shareholders passing an ordinary resolution to approve the adoption of the WW Medical Share Option Scheme at the Second EGM; and
  - (b) the Shareholders passing an ordinary resolution to approve the Proposed Grant at the Second EGM.

### **(ii) Reasons of the Proposed Grant**

Mr. Leondis, President and Chief Executive Officer of Argon, joined Argon in 2009. Mr. Leondis has over 25 years of experience in the medical device industry and is responsible for all functional areas of Argon's businesses.

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## LETTER FROM THE BOARD

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Prior to joining Argon, with his prior management and commercial experience in Orascoptic Research and St. Jude Medical, Mr. Leondis joined InterV/Medical Device Technologies, Inc., which became part of American Medical Instruments Holdings, Inc. a RoundTable Healthcare Partners portfolio company. In 1998. Mr. Leondis then served as the Corporate Vice President and General Manager for Angiotech Interventional, a subsidiary of Angiotech Pharmaceuticals, Inc., which manufactured and marketed disposable vascular and non-vascular devices for use in Interventional Radiology, Interventional Cardiology and Vascular Surgery. Mr. Leondis graduated from Rutgers University with a Bachelor's degree in Political Science.

Mr. Leondis is an expert in the medical device industry and has led various successful merger and acquisition transactions to grow Argon to where it is today, including but not limited to the disposal of Argon's critical care business to Merit Medical systems in 2017, the acquisition of Rex Medical's Clot Management business, the acquisition of Promex Technologies in 2014, the acquisition of Angiotech Pharmaceutical Interventional Radiology business in 2013, two businesses acquired from Becton Dickinson, in 2010, etc.

The Board believes that the Proposed Grant is consistent with the remuneration policy of the Company and provides Mr. Leondis with an incentive for his continuing commitment and contribution to the growth of Argon and WW Medical in the future, especially taking into account his valuable contribution throughout the years serving in Argon via his industry expertise and acquisition experience. The Board believes that such an exercise would help maximise the shareholder value by aligning senior management and shareholder interests.

Accordingly, the Directors (including the independent non-executive Directors) consider that the terms the Proposed Grant are fair and reasonable.

### **(iii) Listing Rules implications**

As at the Latest Practicable Date, there are 46,000,000 WW Medical Shares in issue.

No option has been granted to Mr. Leondis under any share option scheme of the Company in the 12 months immediately preceding the date of grant. Mr. Leondis is the President and Chief Executive Officer of Argon. The Proposed Grant exceeds 1% of the WW Medical Shares in issue. Accordingly, the Proposed Grant would be subject to the approval of the Shareholders at a general meeting pursuant to the Note to Rule 17.03(4) of the Listing Rules.

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## LETTER FROM THE BOARD

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### 5. CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

In order to determine the Shareholders who are entitled to attend and vote at the Second EGM, the register of members of the Company for both H Shares and Non-listed Shares will be closed from Thursday, 15 March 2018 to Saturday, 14 April 2018 (both days inclusive), during which period no transfer of H Shares or Non-listed Shares will be effected. In order to qualify for attending and voting in the Second EGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 14 March 2018.

In order to qualify for attending and voting in the Second EGM:–

Latest time to lodge in the transfer instrument accompanied by the share certificates	4:30 p.m. on Wednesday, 14 March 2018
Closure of register of members of the Company for attendance of the Second EGM	Thursday, 15 March 2018 to Saturday, 14 April 2018 (both days inclusive)
Latest time to lodge in the reply slip	4:30 p.m. on Monday, 26 March 2018
Date of the Second EGM	Monday, 16 April 2018

### 6. THE SECOND EGM

Notice of the Second EGM is set out on pages 22 to 24 of this circular.

Proxy form for use at the Second EGM and reply slips are enclosed with this circular and are also published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.weigaogroup.com>). Whether or not you are able to attend the meetings in person, you are requested to complete and return the proxy form in accordance with the instructions printed thereon and return it to the Company's principal place of business (in the case of proxy form from holders of Non-listed Shares) at 18 Xingshan Road, Weihai Torch Hi-tech Science Park, Weihai, Shandong, the PRC, or at the Company's H Share registrar, Tricor Standard Limited (in the case of proxy form of holders of H Shares), at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time fixed for holding the Second EGM or any adjournment thereof (as the case may be).

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## LETTER FROM THE BOARD

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Completion and delivery of the proxy form will not preclude you from attending and voting in person at the Second EGM or any adjournment thereof (as the case may be) if you so wish.

If you intend to attend the Second EGM in person or by proxy, you should also complete and return the reply slip to the Company in person, by post or by fax on or before 4:30 p.m. on Monday, 26 March 2018 in accordance with the instructions printed thereon.

The resolutions set out in the notice of the Second EGM would be decided by poll.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquires, there is no Shareholder who has any material interest in the adoption of the WW Medical Share Option Scheme and/or the Proposed Grant, and therefore no Shareholder is required to abstain from voting on the ordinary resolutions proposed to adopt the WW Medical Share Option Scheme and to approve the Proposed Grant.

### **7. RECOMMENDATION**

The Directors consider that each of the adoption of the WW Medical Share Option Scheme and the Proposed Grant is in the interest of the Company and its Shareholders as a whole. Accordingly, the Directors (including the independent non-executive directors) recommend the Shareholders to vote in favour of the resolutions to be proposed at the Second EGM.

### **8. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board  
**Shandong Weigao Group Medical Polymer Company Limited**  
**Zhang Hua Wei**  
*Chairman*

*This Appendix summarises the principal terms of the WW Medical Share Option Scheme*

**1. PURPOSE**

The purpose of the WW Medical Share Option Scheme is to provide an incentive to the directors, consultants, advisors and key employees of WW Medical and its Subsidiaries to continue their association with WW Medical and its Subsidiaries by providing opportunities for such persons to participate in the ownership of the WW Medical and in its further growth, and to offer an additional inducement in obtaining the services of such persons.

**2. DURATION**

The WW Medical Share Option Scheme shall be valid and effective for the period commencing on the Effective Date and ending on the tenth anniversary thereof.

**3. ELIGIBILITY**

The WW Medical Committee may from time to time in its sole discretion grant to the Eligible Participants as it shall determine WW Medical Share Options in accordance to the WW Medical Share Option Scheme and subject to compliance with Rule 17.03(4) and Rule 17.04(1) of the Listing Rules.

**4. TOTAL NUMBER OF WW MEDICAL SHARES WHICH MAY BE ISSUED UPON  
EXERCISE OF THE WW SHARE OPTIONS**

The total number of WW Medical Shares for which WW Medical Share Options may be granted under the WW Medical Share Option Scheme (the "Option Pool") shall not exceed 4,000,000 WW Medical Shares, representing in aggregate 8% of the total issued WW Medical Shares as at the Latest Practicable Date as enlarged by the issue of 4,000,000 WW Medical Shares, provided that such aggregate number of WW Medical Shares shall be subject to adjustments set out in paragraph 12 below.

In the event that any outstanding WW Medical Share Option shall expire for any reason or shall terminate or cease to be exercisable by reason of the death or termination of employment of the Grantee, the surrender of such WW Medical Share Option, or any other cause, the shares of stock allocable to the unexercised portion of such WW Medical Share Options shall be returned to the Option Pool and shall again become available for the granting of WW Medical Share Options under the WW Medical Share Option Scheme.

**5. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT UNDER THE WW  
MEDICAL SHARE OPTION SCHEME**

Subject to Rule 17.03(4) and Rule 17.04(1) of the Listing Rules, the number of WW Medical Shares to be covered by each grant shall be as determined by the WW Medical Committee.

**6. TIME OF ACCEPTANCE AND EXERCISE OF THE WW MEDICAL SHARE  
OPTION**

The term of any WW Medical Share Options shall be established by the WW Medical Committee but no WW Medical Share Options shall be exercisable on and after the tenth anniversary of the date such WW Medical Option is granted.

**7. PERFORMANCE TARGETS**

Unless the WW Medical Committee determines otherwise in relation to the offer of the grant of WW Medical Share Option to a Grantee, there is no performance target that must be achieved before the WW Medical Share Options can be exercised.

**8. CONSIDERATION AND BASIS OF DETERMINATION OF THE EXERCISE PRICE**

Nominal consideration will be payable on acceptance of the WW Medical Share Option by the Grantee.

The exercise price of each WW Medical Option shall be determined by the WW Medical Committee, in its sole discretion with reference to the pro-rata total cash consideration paid by the Company for the formation of WW Medical for the acquisition of Argon, taking into account the relevant costs and expenses involved, but in no event shall be less than the fair market value of a share of stock on the date of grant.

The Company considers that one of the purposes of granting the WW Medical Share Options to incentivize commitment from the Eligible Participants and to drive the future growth and development of the business. By setting the exercise price to a price above the then fair market value at the date of the grant, Grantees may only be awarded with the value uplift upon exercise of the WW Medical Share Options resulting from the business growth and development after the date of grant.

With respect to determining the fair market value on the date of grant, the WW Medical Committee will engage an independent valuer which will take into account of the market conditions at the date of future grant and different valuation methodologies that are customary to the industry (including but not limited to the valuation of comparable companies to Argon in U.S. and the valuation of any comparable precedent transactions) when determining the fair market value of each WW Medical Share on the date of grant.

Should WW Medical seek a separate listing on the Stock Exchange, the Company will ensure that the exercise price will comply with Note 1 of Rule 17.03(9) of the Listing Rules.

## **9. VESTING SCHEDULE**

If no performance goals were set by the WW Medical Board, the WW Medical Share Options shall vest and be exercisable according to the following vesting schedule:

- a. 25% of the WW Medical Share Options shall vest and be exercisable on the first anniversary of the grant date;
- b. an additional 25% of the WW Medical Share Options shall vest and be exercisable on the second anniversary of the grant date;
- c. an additional 25% of the WW Medical Share Options shall vest and be exercisable on the third anniversary of the grant date; and
- d. the remaining 25% of the WW Medical Share Options shall vest and be exercisable on the fourth anniversary of the grant date.

If performance goals were set by the WW Medical Board, then the WW Medical Share Options scheduled to vest for a fiscal year shall only become vested and exercisable on the determination date for such year, which is the date on which the WW Medical Committee determines which shall be no later than 15 days following the date on which WW Medical's audited financial statements with respect to such fiscal year are delivered to the WW Medical Board.

**10. RIGHTS ATTACHED TO THE WW MEDICAL SHARES**

No Grantee shall have any rights as a WW Medical shareholder (including rights arising on liquidation of the Company) with respect to WW Medical shares covered by his or her WW Medical Share Option until the date of issuance of a share certificate for such WW Medical Shares (if certificated) or the date on which the WW Medical updates the register of members reflecting such issuance.

The WW Medical Shares issued pursuant to the exercise of the WW Medical Share Options shall rank *pari passu* in all respects with all other existing WW Medical Shares in issue as from the date of allotment, including voting rights, entitlement to dividends, transfer and other rights.

**11. CANCELLATION OF THE WW MEDICAL OPTIONS**

If the Grantee's employment with WW Medical and/or its Subsidiaries is terminated by reason of (i) death or permanent disability, (ii) termination by the Grantee or (iii) termination by WW Medical without cause, then the outstanding WW Medical's Share Options granted to such Grantee shall expire on the date of such termination of employment with respect to the unvested portion thereof and, with respect to the vested and unexercised portion of the WW Medical Share Options, on the 360th day from the date of such termination of employment.

If the Grantee's employment with WW Medical and its Subsidiaries is terminated by WW Medical for cause or if the Grantee materially breaches the covenants set forth in his employment agreement or his letter of grant, then the Grantee's WW Medical Share Options shall be deemed to have expired on the day immediately prior to the date of such termination of employment or material breach with respect to the vested and the unvested portion of the WW Medical Share Options.

If unexercised WW Medical Share Options remain outstanding under the WW Medical Share Option Scheme (i) there takes place a Change in Control (as defined below), or (ii) in other circumstances in which the Board, in its sole and absolute discretion, deems it appropriate for the provisions of this paragraph to apply, then the WW Medical Board may, at its option and in its sole and absolute discretion and without the consent of any Grantee take any one or more of the following actions with respect to outstanding WW Medical Share Options: (a) accelerate the vesting of any outstanding WW Medical Share Options, (b) cancel any WW Medical Share Options in exchange for options to purchase common stock or other equity of any successor company or acquiring entity, (c) cancel any WW Medical Share Options in exchange for cash and/or substitute consideration with a value equal to the value of the consideration the Grantee would have received in connection with such event had the WW Medical Share Option been exercised (to the extent it has vested and not been exercised) and no disposition of the shares so acquired upon such exercise had been made prior to such event, less the exercise price payable upon exercise thereof, (d) provide notice to a Grantee that upon such Change of Control or other event all WW Medical Share Options granted to such Grantee and not theretofore exercised shall terminate and be void, in which event the Grantee shall have the right to exercise all WW Medical Share Options within two days after the date of such notice, and/or (e) any such other or further action as may be determined to be appropriate by the WW Medical Board, in its sole discretion. Upon receipt of any consideration referred to above by the Grantee, the WW Medical Share Options shall immediately terminate and be of no further force and effect, including with respect to the vested and unvested portion thereof. The value of the stock or other consideration the Grantee would have received if the WW Medical Share Option had been exercised shall be determined in good faith by the WW Medical Board.

A “**Change in Control**” shall be deemed to have occurred (i) upon a liquidation, dissolution or winding up of WW Medical, (ii) if a person, and its affiliates, who prior to such time owned voting securities with less than fifty percent of the voting power of all then-outstanding voting securities shall acquire voting securities in one or more transactions or series of transactions, by merger or otherwise, and after such transaction or transactions such person beneficially owns voting securities with greater than fifty percent of the voting power of the then-outstanding voting securities, or (iii) if WW Medical or a successor company shall sell all or substantially all of the assets of WW Medical and its Subsidiaries on a consolidated basis in one transaction or a series of related transactions to any person or group which immediately prior to the time of such transaction owned voting securities with fifty percent or less of the voting power of the then-outstanding voting securities.

**12. ADJUSTMENTS TO EXERCISE PRICE**

In the event of any capitalization issue, rights issue, open offer (if there is a price dilutive element), sub-division, or consolidation of shares of WW Medical Shares, or reduction of capital of WW Medical in accordance with applicable laws and regulatory requirements, corresponding alterations shall be made (except on an issue of securities of WW Medical as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (i) the number of shares of WW Medical Shares subject to any outstanding WW Medical Share Options; and/or
- (ii) the exercise price, as the auditors of WW Medical or the approved independent financial adviser shall, at the request of WW Medical, certify in writing either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that an Grantee shall have the same proportion of the equity capital of WW Medical (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes) as that to which he or she was entitled to subscribe had he exercised all the WW Medical Share Options held by him or her immediately before such adjustments and the aggregate exercise price payable by an Grantee on the full exercise of any WW Medical Share Option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable a share of stock to be issued at less than its nominal value.

The capacity of the auditors or the approved independent financial adviser, as the case may be is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on WW Medical and the Grantees.

**13. TRANSFERABILITY**

The WW Medical Share Options are personal to the Grantee and shall not be transferable by the Grantee and the WW Medical Share Options may be exercised, during the lifetime of the Grantee, only by the Grantee or, in the event of Grantee's legal incapacity, by his or her legal representatives. Except to the extent provided above, WW Medical Share Options may not be assigned, transferred, pledged, hypothecated or disposed of in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process, and any attempted assignment, transfer, pledge, hypothecation or disposition shall be null and void and of no force or effect.

**14. AMENDMENT OR TERMINATION OF PLAN**

Subject to compliance with Rule 17.03(18) of the Listing Rules (including the notes to Rule 17.03(18) of the Listing Rules), the WW Medical Board may, in its sole and absolute discretion, modify, revise, suspend or terminate the WW Medical Share Option Scheme at any time and from time to time.

Upon termination of the WW Medical Share Scheme, no further WW Medical Share Options shall be offered but the provisions of the WW Medical Share Options Scheme shall remain in force to the extent necessary to give effect to the exercise of any WW Medical Share Options granted prior to the termination or otherwise as may be required in accordance with the provisions of the WW Medical Share Options Scheme and WW Medical Share Options granted prior to such termination shall continue to be valid and exercisable in accordance with the WW Medical Share Options Scheme.

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## NOTICE OF THE SECOND EGM

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**WEGO 威高**

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)

**NOTICE IS HEREBY GIVEN** that the Second EGM of Shandong Weigao Group Medical Polymer Company Limited\* (山東威高集團醫用高分子製品股份有限公司) will be held at 2/F, 18 Xingshan Road, Weihai Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC at 10:30 a.m. on Monday, 16 April 2018 to consider and, if though fit, pass the following ordinary resolutions:

### ORDINARY RESOLUTIONS

Words and expressions that are not expressly defined in this notice shall bear the same meanings as those defined in the circular dated 28 February 2018 published by the Company.

1. “**THAT** the WW Medical Share Option Scheme (a copy of which has been produced to the Second EGM marked ‘A’ and initialled by the chairman of the EGM for the purpose of identification) and the adoption of the same be and are hereby approved and that any one Director be and is hereby authorized to do all such acts and/or execute all such documents as may be necessary, desirable or expedient to implement and to give full effect to WW Medical Share Option Scheme.”
2. “**THAT** conditional upon the passing of resolution 1 above, the Proposed Grant be and is hereby approved and that any one Director be and is hereby authorized to do all such acts and/or execute all such documents as may be necessary, desirable or expedient to give full effect to the Proposed Grant.”

By Order of the Board  
**Shandong Weigao Group Medical Polymer Company Limited**  
**Zhang Hua Wei**  
*Chairman*

Hong Kong, 28 February 2018

\* For identification purpose only

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## NOTICE OF THE SECOND EGM

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*Notes:*

1. For the purpose of determining who may attend the Second EGM to be held on Monday, 16 April 2018, the register of holders of H Shares of the Company will be closed from Thursday, 15 March 2018 to Saturday, 14 April 2018 (both dates inclusive), during which no transfer of H Shares will be registered. In order to qualify for entitlement to attending and voting in the Second EGM, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share registrar, Tricor Standard Limited for registration not later than 4:30 p.m. on Wednesday, 14 March 2018.

*The address of Tricor Standard Limited is as follows:*

22nd Floor  
Hopewell Centre  
183 Queen's Road East  
Hong Kong  
Fax: (852) 2810 8185

2. In accordance with the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of the Second EGM will be voted by poll. Results of the poll voting will be published on the Company's website at [www.weigaogroup.com](http://www.weigaogroup.com) and the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) after the Second EGM.
3. Any shareholder entitled to attend and vote at the Second EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.
4. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and deposited at the Company's H Share registrar, Tricor Standard Limited (for holders of H Shares) or the registered office of the Company (for holders of Non-listed Shares), at least 24 hours before the Second EGM or any adjourned meeting thereof. The Company's registered office is located at 2/F, 18 Xingshan Road, Weihai Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC (Fax no. (86) 631 5620555). The Company's H Share registrar, Tricor Standard Limited, is located at 22nd Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong (Fax no. (852) 2810 8185).
5. Completion and return of a proxy form will not preclude you from attending and voting at the Second EGM or any adjourned meeting thereof if you so wish.
6. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.

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## NOTICE OF THE SECOND EGM

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7. Shareholders who intend to attend the Second EGM in person or by proxy should return the reply slip for the Second EGM to the registered office of the Company (for holders of Non-listed Shares) or the principal place of business of the Company in Hong Kong (for holders of H Shares), by hand, by post or by fax on or before 4:30 p.m. on Monday, 26 March 2018. The Company's registered office is located at 2/F, 18 Xingshan Road, Weihai Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC (Fax no. (86) 631 5620555). The principal place of business of the Company in Hong Kong, is located at 801 Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong (Fax no. (852) 2838 1870).
8. The Second EGM is expected to last for about half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the Second EGM.

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

Mr. Zhang Hua Wei (*Executive Director*)

Mr. Wang Yi (*Executive Director*)

Mr. Gong Jian Bo (*Executive Director*)

Mrs. Zhou Shu Hua (*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*)