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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)

VOLUNTARY ANNOUNCEMENT

PROPOSED FINANCING ACTIVITIES BY CONTROLLING SHAREHOLDER

This is a voluntary announcement made by Shandong Weigao Group Medical Polymer Company Limited (the “**Company**”).

The board of directors (the “**Board**”) of the Company was informed by Weigao Holding Company Limited (“**Weigao Group**”), the controlling shareholder of the Company, that Sure First Limited (“**Sure First**”), an indirect wholly-owned subsidiary of Weigao Group, has entered into a subscription agreement (the “**Subscription Agreement**”) for US\$150,000,000 2% Secured Guaranteed Exchangeable Bonds due 2025 (the “**Bonds**”) on 8 January 2020.

The Bonds are expected to be issued on 16 January 2020. Holders of the Bonds are entitled to request Sure First and Weigao Group to deliver or procure the delivery of a *pro rata* share of the Exchange Property (as defined in the terms and conditions of the Bonds (the “**Terms and Conditions**”)) upon exercise of their exchange right in respect of their Bonds at an initial exchange price of HK\$11.43 per share in the Company (the “**Shares**”, and such initial exchange price, the “**Initial Exchange Price**”), subject to further adjustment upon occurrence of certain events enumerated in the Terms and Conditions. In order to fulfill its obligation to deliver a *pro rata* share of the Exchange Property to exchanging holders of the Bonds, Sure First and Weigao Group intend to procure Top Vision Limited (“**Top Vision**”), a wholly-owned subsidiary of Weigao Group and the sole shareholder of Sure First, to use the net proceeds from the issuance of the Bonds to purchase Shares from Weigao Group with reference to the then prevailing market price per Share on or prior to 21 February 2020, being the deadline by which such transfer of Shares is to be completed pursuant to the Terms and Conditions. The number of Shares to be purchased by Top Vision from Weigao Group shall be between (i) a minimum of 102,053,250 Shares (being the Initial Exchange Property (as defined in the Terms and Conditions)) and subject to any adjustments which have taken effect in accordance with and within the timing stipulated in the Terms and Conditions, and (ii) a maximum of such number of Shares as representing the net proceeds from the issuance of the Bonds divided by the purchase price determined with reference to the then prevailing market price per Share on the date of such purchase (assuming that such prevailing market price is lower than the Initial Exchange Price).

Neither the execution of the Subscription Agreement nor the issuance of the Bonds by Sure First constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board does not expect the aforementioned transaction to have any significant impact on the business operations and the composition of the Board or management of the Company.

Shareholders of the Company and/or investors are advised to exercise extreme caution when dealing in the Company's securities.

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

Hong Kong, 8 January 2020

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

Mr. Zhang Hua Wei (*Executive Director*)

Mr. Long Jing (*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*)

* *For identification purpose only*