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)

SUPPLEMENTAL ANNOUNCEMENT ENTERING INTO THE FINANCE LEASE FRAMEWORK AGREEMENT WITH WEIGAO HOLDING

Reference is made to the announcement dated 30 December 2015 (the "**Announcement**") of Shandong Weigao Group Medical Polymer Company Limited (the "**Company**"). The Board would like to provide the shareholders with further information in relation to the transactions contemplated under the Finance Lease Framework Agreement. Capitalised terms used herein shall have the same meaning as defined in the Announcement, unless otherwise specified.

CONTINUING CONNECTED TRANSACTION

As stated in the Announcement, Weigao Holding is the controlling shareholder of the Company and therefore, Weigao Holding is a connected person of the Company. Since the transactions contemplated under the Finance Lease Framework Agreement entered into between the Group and Weigao Holding Group would be carried out on a continuing basis for 12 months, pursuant to Rule 14A.31 of the Listing Rules, such transactions would constitute continuing connected transactions of the Company under the Listing Rules.

* *For identification purpose only*

As one or more applicable percentage ratios (as defined in Rule 14A.06 under the Listing Rules) in respect of the transactions contemplated under the Finance Lease Framework Agreement exceeds 0.1%, but is less than 5.0%. such transactions are therefore only subject to the reporting and announcement requirements under Rules 14A.41 and 14A.35 of the Listing Rules but are exempt from the Independent Shareholders' approval requirements. In addition, the Company will, with respect to the transactions in question, comply with the requirements under Rule 14A.55 to 14A.59 of the Listing Rules in respect of the annual review of these continuing connected transactions.

PRICING BASIS

For the transactions to be contemplated under the Finance Lease Framework Agreement, the Company will charge the annual lease interest with reference to the base point of RMB lending rate as quoted by the People's Bank of China plus no less than 10% after taking into account of financing cost and risk premium after assessment of the transaction. Should there be any adjustment to the benchmark lending rate of The People's Bank of China during the term of leasing, the lease amount under the agreement shall be subject to adjustment for the same direction and with the same proportion.

OTHER MATTERS

The Company has obtained the relevant approval and licence from relevant regulatory authorities to conduct the business of the provision of finance leasing services in the PRC. The Group has equipped with a dedicated experienced team who are well-experienced in commercial finance and asset leasing products.

Save as disclosed above, the Board confirms that all the information in the Announcement remains unchanged.

Shandong Weigao Group Medical Polymer Company Limited
Chen Xue Li
Chairman

6 January 2016
Shandong, the PRC

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

Mr. Zhang Hua Wei *(Executive Director)*
Mr. Wang Yi *(Executive Director)*
Mr. Gong Jian Bo *(Executive Director)*
Mr. Xia Lie Bo *(Executive Director)*
Mr. Chen Xue Li *(Non-executive Director)*
Mrs. Zhou Shu Hua *(Non-executive Director)*
Mr. Lo Wai Hung *(Independent non-executive Director)*
Mr. Li Jia Miao *(Independent non-executive Director)*
Mrs. Fu Ming Zhong *(Independent non-executive Director)*
Mrs. Wang Jin Xia *(Independent non-executive Director)*