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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)

INSIDE INFORMATION
PROPOSED DISPOSAL OF 81% EQUITY INTEREST IN SHANDONG WEIGAO ORTHOPAEDIC DEVICE COMPANY LIMITED

This announcement is made by Shandong Weigao Group Medical Polymer Company Limited (the "**Company**") pursuant to Rule 13.09 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).

Reference is made to the announcement (the "**Announcement**") of the Company dated 15 June 2016 in relation to, among others, (1) (i) a major transaction involving proposed disposal of 81% equity interest in Weigao Ortho, and (ii) a discloseable transaction involving possible disposal of the Consideration Shares; and (2) (i) a discloseable transaction involving proposed acquisition of equity interest in Winbase International, and (ii) a discloseable transaction involving proposed disposal of Weigao Logistic. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

Proposed Disposal

In relation to the Proposed Disposal, the Company has submitted a spin-off proposal to the Stock Exchange pursuant to Practice Note 15 of the Listing Rules. On 13 July 2016, the Company received confirmation from the Stock Exchange that it may proceed with the Proposed Disposal (the "**PN15 Confirmation**").

Waiver Applications

In view of the legal restrictions under applicable PRC laws and regulations, no assured entitlement to the A shares of Winbase International will be offered to the Shareholders in connection with the Proposed Disposal. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver (the "**Assured Entitlement Waiver**") from strict compliance with the applicable requirements in relation to the assured entitlement under Practice Note 15 of the Listing Rules subject to the conditions set out therein.

Furthermore, the Company has also applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver (the "**Rule 14.67(6)(a)(i) Waiver**") from strict compliance with the disclosure requirements under Rule 14.67(6)(a)(i) of the Listing Rules.

Further information of the PN15 Confirmation, the Assured Entitlement Waiver and the Rule 14.67(6)(a)(i) Waiver will be set out in the Circular to be despatched by the Company to the Shareholders in relation to, among others, the Proposed Disposal and the transactions contemplated thereunder.

The Proposed Disposal and the transactions contemplated thereunder are subject to, among other things, Shareholders' approval at the general meeting of the Company and Winbase International and the approval of the relevant PRC regulatory authorities. Accordingly, Shareholders and potential investors of the Company should note that the Proposed Disposal and the transactions contemplated thereunder may or may not materialize. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Zhang Huawei
Chairman

Weihai, Shandong, the PRC, 19 July 2016

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

Mr. Zhang Huawei *(Executive Director)*
Mr. Wang Yi *(Executive Director)*
Mr. Gong Jianbo *(Executive Director)*
Mr. Xia Liebo *(Executive Director)*
Mrs. Zhou Shuhua *(Non-executive Director)*
Mr. Lo Wai Hung *(Independent non-executive Director)*
Mr. Li Jiamiao *(Independent non-executive Director)*
Mrs. Fu Mingzhong *(Independent non-executive Director)*
Mrs. Wang Jinxia *(Independent non-executive Director)*

* *For identification purpose only*