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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)

**CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF EXISTING CONTINUING
CONNECTED TRANSACTIONS**

**RENEWAL OF EXISTING CONTINUING CONNECTED
TRANSACTIONS**

References are made to the announcements of the Company dated 5 December 2018, 27 September 2019, 18 December 2019, 26 August 2020, 28 October 2020, 16 November 2021, 30 August 2023, 6 September 2023 and 12 September 2023 and the circulars of the Company dated 27 September 2019, 22 September 2020, 16 November 2020, 8 December 2021 and 18 September 2023 in relation to, among others, the CCT Agreements.

On 28 November 2025, the Company and/or its subsidiaries entered into the Supplemental Agreements with Weigao Holding and/or its subsidiaries and associates principally to, among others, (i) revise the annual cap for the financial year ending 31 December 2025 (in respect of the Supplemental Services Framework Agreement only); (ii) extend the agreement terms of the CCT Agreements for two years to 31 December 2027; and (iii) (where applicable) propose new annual caps for the financial years ending 31 December 2026 and 2027. Save as specified above, all other terms as stipulated in the CCT Agreements remain unchanged.

* For identification purpose only

LISTING RULES IMPLICATION

As at the date of this announcement, Weigao Holding is the controlling shareholder of the Company holding approximately 46.22% of the total issued share capital (excluding treasury shares) of the Company. Logistic Company is a subsidiary of Weigao Holding and Lanhai Bank is a 30%-controlled company of Weigao Holding. Accordingly, Weigao Holding, Logistic Company and Lanhai Bank are connected persons of the Company pursuant to Chapter 14A of the Listing Rules and the transactions contemplated under the Supplemental Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the Supplemental Agreements (other than the Supplemental Purchase Framework Agreement and the Supplemental Logistic Support Services Framework Agreement) is more than 0.1% but less than 5%, such agreements are subject to the reporting, announcement and annual review requirements, but are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) is over 5%, the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

The Independent Board Committee has been formed to consider whether the terms of the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) and the transactions contemplated thereunder, and the relevant Proposed Annual Caps are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to voting at the EGM. The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in these regards.

A circular containing (i) further details of the transactions contemplated under the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement); (ii) the recommendation of the Independent Board Committee; (iii) the advice of the Independent Financial Adviser; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before 12 December 2025.

THE SUPPLEMENTAL AGREEMENTS

References are made to the announcements of the Company dated 5 December 2018, 27 September 2019, 18 December 2019, 26 August 2020, 28 October 2020, 16 November 2021, 30 August 2023, 6 September 2023 and 12 September 2023 and the circulars of the Company dated 27 September 2019, 22 September 2020, 16 November 2020, 8 December 2021 and 18 September 2023 in relation to, among others, the CCT Agreements.

On 28 November 2025, the Company and/or its subsidiaries entered into the Supplemental Agreements with Weigao Holding and/or its subsidiaries and associates principally to, among others, (i) revise the annual cap for the financial year ending 31 December 2025 (in respect of the Supplemental Services Framework Agreement only); (ii) extend the agreement terms of the CCT Agreements for two years to 31 December 2027; and (iii) (where applicable) propose new annual caps for the financial years ending 31 December 2026 and 2027. Save as specified, all other terms as stipulated in the CCT Agreements as set out in the 2018 Announcement, 2019 Announcement, 2021 Announcement and 2023 Announcements remain unchanged.

A. Supplemental Agreements which are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules

(1) The Supplemental Purchase Framework Agreement

Under the Purchase Framework Agreement, the Company agrees to purchase or procure its subsidiaries to purchase, and Weigao Holding agrees to sell or procure its subsidiaries or associates to sell medical based products, including but not limited to, medical equipment, medical raw materials, medical packaging materials, pharmaceutical and medical devices.

On 28 November 2025, the Company entered into the Supplemental Purchase Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2027; (ii) propose new annual caps of RMB1,100.0 million and RMB1,210.0 million for each of the financial years ending 31 December 2026 and 2027, respectively; and (iii) change the payment terms from payable in advance before delivery or within six months from the date of acceptance of the goods to payable in advance before delivery or within one to six months from the date of acceptance of the goods. Except for the extension of the duration of the agreement, the proposition of the new annual caps for the years ending 31 December 2026 and 2027 and the revision of the payment terms, all other terms of the Purchase Framework Agreement remain unchanged.

Pricing policy

Prices and terms of purchase with respect to the products sold by Weigao Holding Group shall be determined in the ordinary course of business and on normal commercial terms, negotiated on an arm's length basis and at prices and terms no less favourable to the Group than those available to independent third parties by Weigao Holding Group.

Payment terms

The purchase amount of the products shall be payable by the Group in advance before delivery or within one to six months from the date of acceptance of the goods, depending on the types of the products. The payment terms for the purchase of the products by the Group shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no less favourable than those given to independent third parties by Weigao Holding Group.

Historical Transaction Amounts

The actual transaction amounts for the purchases by the Group from Weigao Holding Group for the years ended 31 December 2023 and 2024, the six months ended 30 June 2025 and the period from 1 January 2025 to 31 October 2025 are set out below.

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the six months ended 30 June 2025	For the period from 1 January 2025 to 31 October 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual transaction amount	1,201.8	892.0	397.0	701.7

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the transactions contemplated under the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	1,500.0	N/A	N/A
Proposed Annual Caps	N/A	1,100.0	1,210.0

As illustrated above, the value of products procured by the Group from Weigao Holding Group decreased from approximately RMB1,201.8 million for the year ended 31 December 2023 to approximately RMB892.0 million for the year ended 31 December 2024. The actual transaction amount for the six months ended 30 June 2025 was approximately RMB397.0 million, representing a decrease of approximately 9.9% from approximately RMB440.8 million for the six months ended 30 June 2024. There was a decline trend in the actual transaction amount for the year ended 31 December 2024 and the six months ended 30 June 2025 due to decrease in the end-user pricing of the products following the implementation of the national volume-based procurement policy for medical devices in the PRC. Despite the decline in the pricing of the products, the trading volume of the products has increased and become more stable and predictable, as successful bidders can secure fixed-term supply contracts. It is expected that the demand for some other high-end medical devices, including clinical care, medical testing equipment, anesthesia and surgical-related products, would continue to increase in the next two years as the aging population and escalating health awareness among residents drove structural changes in the market demand for medical devices. Consumers' demand for such high-end medical devices was increasing as time goes by. This required the Group to keep up with market development more precisely and provide diversified products and services. Assuming the pricing of the products remains stable, it is anticipated that the Proposed Annual Caps for each of the years ending 31 December 2026 and 2027 would be RMB1,100.0 million and RMB1,210 million respectively.

The Proposed Annual Caps for the purchases of products from Weigao Holding Group are determined with reference to factors including, (i) the historical transaction amount of approximately RMB892.0 million, RMB397.0 million and RMB701.7 million under the Purchase Framework Agreement for the year ended 31 December 2024, the six months ended 30 June 2025, and the period from 1 January 2025 to 31 October 2025 respectively; (ii) the anticipated demand for the products provided by Weigao Holding Group for the years ending 31 December 2026 and 2027 after taking into account the nature of the products; the market development trend as well as the expected business development of the Group; (iii) the pricing of the products to be provided by Weigao Holding Group; and (iv) a buffer amount of approximately 10% in its calculation.

- (i) The actual transaction amount of approximately RMB892.0 million and RMB842.0 million for the year ended 31 December 2024 and the year ending 31 December 2025 (on an estimated annualized basis) represent approximately 81.09% and 76.55% of the Proposed Annual Cap for the year ending 31 December 2026, respectively, and approximately 73.72% and 69.59% of the Proposed Annual Cap for the year ending 31 December 2027, respectively. It is expected that the demand for the products from Weigao Holding Group for the years ending 31 December 2026 and 2027 will slightly increase as compared with the year ending 31 December 2025 due to the expected increase in purchase of certain medical products (such as clinical care and surgical related products and consumables) from Weigao Holding Group.

- (ii) The overall growing market demand for medical and pharmaceutical products and consumables in the PRC was driven by the aging population and increase in healthcare awareness, leading to a rise in health checkups and hospitalization for the elderly. This, in turn, has led to the increase in demand for medical and pharmaceutical products and consumables. The Company noted that based on 《2025中國醫療器械國際化現狀與趨勢藍皮書》 (Blue Book on the Status and Trends of Internationalization of Medical Devices in China (2025)), published by Frost & Sullivan, the medical device industry of the PRC may experience moderate growth in the coming years. According to Frost & Sullivan, the market size of the medical consumable industry in the PRC is projected to have a compound annual growth rate of 6.0% from 2024 to 2030. In addition, it is the Group's strategy to continue to further enhance its market share of medical devices and to strengthen its industry competitiveness and brand influence. With the implementation of the overseas market segmentation strategies by the Group and the strategic cooperation established with overseas companies, the distribution channels are expected to continue to expand, driving robust growth in exported products. For example, on 6 November 2025, the Group has entered into a joint venture agreement with PT Oneject Indonesia in relation to the establishment of a joint venture, Oneject Wego Medical (the "Joint Venture"), in Indonesia. The formation of the Joint Venture will enable the Group to access new overseas markets, expand its customer base and create synergies with the existing business of the Group. Based on the foregoing, it is expected that there will be steady growth in the demand for each type of products, with a forecast growth of not more than 20% for each of the product categories in each year.

- (iii) In determining the Proposed Annual Caps, it was assumed that there will not be material change in the pricing of the products to be provided by Weigao Holding Group for the years ending 31 December 2026 and 2027 as compared with the current pricing of the relevant products, taking into account the impact of the PRC's centralized volume-based procurement policy in public hospitals. However, as the products distributed to the overseas market are not subject to the volume-based procurement policy, the pricing of the products would be more competitive, thus contributing to increase in the transaction amounts.

(2) *The Supplemental Logistic Support Services Framework Agreement*

Under the Logistic Support Services Framework Agreement, the Company agrees to purchase or procure its subsidiaries to purchase, and Logistic Company agrees to provide or procure its subsidiaries or associates to provide integrated medical device supply chain logistic services.

On 28 November 2025, the Company entered into the Supplemental Logistic Support Services Framework Agreement with Logistic Company to (i) extend the agreement term for two years to 31 December 2027; and (ii) propose new annual caps of RMB3,720.0 million and RMB4,150.0 million for each of the financial years ending 31 December 2026 and 2027, respectively. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2026 and 2027, all other terms of the Logistic Support Services Framework Agreement remain unchanged.

Pricing policy

Logistic Company Group is entitled to not more than 3% of the ultimate price paid by customers (such as hospitals) as logistic service fees. Logistic Company Group should settle the remaining at least 97% of the ultimate price paid by customers (such as hospitals) (the “**Settlement Amount**”) with the Group on a back-to-back basis. The pricing of the logistic service fee shall be fair and reasonable and shall not be higher than the pricing of similar logistic services provided by independent third parties to the Group prevailing at the time of entering into the Supplemental Logistic Support Services Framework Agreement. The Group shall compare the rates and terms of the services offered by Logistic Company Group to market rates and terms from time to time to ensure the terms (including pricing and payment) contemplated under the Supplemental Logistic Support Services Framework Agreement are on normal commercial terms.

Payment terms

Logistic Company Group should pay the Settlement Amount to the Group within 30 days from the date of receipt of the payment from the customers (such as hospitals). The payment terms for the logistic services shall be negotiated on arm’s length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no less favourable than those given to independent third parties by Logistic Company Group.

Historical Transaction Amounts

The actual amounts settled by Logistic Company Group for the Group's sales to customers (such as hospitals) through Logistic Company Group (i.e. the net amount after deducting not more than 3% logistic service fee from the gross amount paid by customers (such as hospitals)) for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	For the year ended 31 December 2023	For the year ended 31 December 2024	For the six months ended 30 June 2025	For the period from 1 January 2025 to 31 October 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual amount settled by Logistic Company Group for the Group's sales to customers (such as hospitals) through Logistic Company Group	3,542.5	3,169.2	1,687.5	2,624.5
Actual logistic service fee	105.9	73.5	37.5	60.4

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the transactions contemplated under the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap			
Total amount settled by Logistic Company Group for the Group's sales to customers (such as hospitals) through Logistic Company Group	5,200.0	N/A	N/A
Actual logistic service fee	156.0	N/A	N/A
Proposed Annual Caps			
Total amount settled by Logistic Company Group for the Group's sales to customers (such as hospitals) through Logistic Company Group	N/A	3,720.0	4,150.0
Logistic service fee	N/A	111.6	124.5

The Proposed Annual Caps for the transactions contemplated under the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) are determined with reference to factors including, (i) the historical amounts of approximately RMB3,169.2 million, RMB1,687.5 million and RMB2,624.5 million settled by Logistic Company Group for the Group's sales to customers through Logistic Company Group for the year ended 31 December 2024, the six months ended 30 June 2025 and the period from 1 January 2025 to 31 October 2025 respectively; (ii) the expected sales of products to customers using the Logistic Support Services provided by Logistic Company Group for each of the years ending 31 December 2026 and 2027 taking into account the expansion of customer base (with the addition 196 hospitals, 26 other medical institutions, and 174 distributors to the Group's PRC customer base for the year ended 31 December 2024).; (iii) the expected growth in the PRC medical device industry. In this connection, the Company noted that the PRC government continued to intensify its supporting efforts for innovative medical device and equipment and encouraged enterprises to increase research and development investment to promote the domestic substitution of high-end medical devices. The steady growth in domestic medical demand and a strong recovery in device exports will continue to support the industry's steady development, which will in turn lead to an expected increase in the demand for logistic support services by Logistic Company Group to the Group; (iv) the expected business development of the Group, taking into account the Group's continued efforts to expand its markets and its product lines and business segments (over 100 new products are expected to receive regulatory approval and to be launched progressively over the next three years, including infusion and urinary consumables etc.); (v) the number of PRC customers which the Group has sold or expects to sell the products to using the Logistic Support Services provided by Logistic Company Group; (vi) a buffer amount of approximately 10% in its calculation and (vii) the pricing of the Logistic Support Services to be provided by Logistic Company Group of not more than 3% of the ultimate price paid by customers, in particular:

- i. the Proposed Annual Caps for the total amount settled by Logistic Company Group for the Group's sales to customers through Logistic Company Group for the years ending 31 December 2026 and 2027, being RMB3,720.0 million and RMB4,150.0 million respectively, represent (a) a growth of approximately 10.2% and 23.0%, respectively, as compared to the transaction amount of approximately RMB3,375.0 million for the year ending 31 December 2025 (on an estimated annualized basis); and (b) a growth of approximately 17.4% and 30.9%, respectively, as compared to the actual transaction amount of approximately RMB3,169.2 million for the year ended 31 December 2024; and
- ii. the Group faces severe pressure on product pricing in recent years despite the increasing sales of products to customers in terms of volume principally due to the impact of volume-based procurement policy. Certain products not previously subject to centralized procurement were also gradually included in bulk procurement, exerting downward pressure on the pricing of the relevant products. However, it is expected that sales of products to customers using the Logistic Support Services provided by Logistic Company Group during the next two years ending 31 December 2026 and 2027 will experience a faster growth, taking into account the Group's continued efforts to expand distribution channels (in particular hospitals) in the PRC market. In addition, the Group has continued to focus on continuous upgrade and broadening of product offerings by the Group. Over 100 new products are expected to receive regulatory approval and to be launched progressively over the next three years, including infusion and urinary consumables etc.) Therefore, although the Group will continue to be impacted by the pressure on product pricing, it is expected that Group's sales to customers through Logistic Company Group will have a stronger growth for the years ending 31 December 2026 and 2027 as compared to the year ending 31 December 2025 principally due to the volume growth contributed by the expected expansion of customer base (with the addition 196 hospitals, 26 other medical institutions, and 174 distributors to the Group's PRC customer base for the year ended 31 December 2024) by Logistic Company Group as well as the continuous upgrade and broadening of product offerings by the Group.

B. Supplemental Agreements which are subject to the reporting, announcement and annual review requirements but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules

(3) The Supplemental Deposit Services Agreement

Under the Deposit Services Agreement, Lanhai Bank agrees to provide deposit services to the Group and the Group agrees to utilize such deposit services.

On 28 November 2025, the Company entered into the Supplemental Deposit Services Agreement with Lanhai Bank to (i) extend the agreement term for two years to 31 December 2027; and (ii) propose new annual caps of RMB132.0 million for each of the financial years ending 31 December 2026 and 2027. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2026 and 2027, all other terms of the Deposit Services Agreement remain unchanged.

Pricing policy

The interest rates for the Group's deposits with Lanhai Bank is determined by adopting the market-oriented pricing principle based on the RMB deposit benchmark rate promulgated by the PRC from time to time and mutual agreement among all parties involved in the transaction, and shall not be lower than the interest rate of similar deposits of major domestic commercial banks in PRC for the same period.

Payment terms

The interest payable on the deposits shall be payable by Lanhai Bank on the designated dates as stated in the deposit agreements entered into between Lanhai Bank and the Group. The payment terms for the interests on the deposits shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no less favourable than those given to independent third parties by Lanhai Bank.

Historical Transaction Amounts

The actual maximum daily balance of deposits (including the interests accrued thereon) placed with Lanhai Bank by the Group for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024	Six months ended 30 June 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual maximum daily balance of deposits (including the interests accrued thereon)	102.5	122.5

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the transactions contemplated under the Deposit Services Agreement (as supplemented by the Supplemental Deposit Services Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap (maximum daily balance of deposits (including the interests accrued thereon))	200.0	N/A	N/A
Proposed Annual Caps (maximum daily balance of deposits (including the interests accrued thereon))	N/A	132.0	132.0

The Proposed Annual Caps for each of the two years ending 31 December 2027 represent approximately 1.4% of the Group's total deposits placed with all financial institutions as of 30 June 2025. In determining the Proposed Annual Caps, the Company had taken into account the historical deposit amount with Lanhai Bank for the year ended 31 December 2024 and the six months ended 30 June 2025, the current cash flow position of the Group and the expected cash flow position of the Group for a period of 12 months, the treasury policy of the Group and the prevailing deposit interest rate offered by PRC commercial banks.

(4) The Supplemental Finance Leasing and Factoring Framework Agreement

Under the Finance Leasing and Factoring Framework Agreement, the Group agrees to provide finance leasing and recourse and non-recourse factoring and other commercial factoring services to Weigao Holding Group.

On 28 November 2025, 山東威高融資租賃有限公司 (Shandong Weigao Financial Leasing Co., Ltd.) and 上海威高融資租賃有限公司 (Shanghai Weigao Financing Lease Co., Ltd.), both being subsidiaries of the Company, entered into the Supplemental Finance Leasing and Factoring Framework Agreement with Weigao Holding to extend the agreement term for two years to 31 December 2027 with the same annual caps (RMB 600.0 million). Except for the extension of the duration of the agreement, all other terms of the Finance Leasing and Factoring Framework Agreement remain unchanged.

Pricing policy

Finance Leasing

The interest of the financial leasing services of similar nature offered by the Group shall be no more favourable than those available by other independent financial leasing companies in the PRC. The Group shall collect information about terms and conditions of the relevant transactions and compare the interest rate from independent financial leasing companies in the PRC to ensure terms and conditions are no more favourable than those available by other independent third parties.

Factoring

The comprehensive pricing (including interest and fees) of the commercial factoring services charged by the Group, after due diligence assessment by the Group based on various factors including but not limited to the background, the financial position and credit standing and insurance cover in respect of the relevant account receivable, shall be fair and reasonable and shall not be lower than the comprehensive pricing of the same commercial factoring services provided by independent third parties to the Weigao Holding Group during the same period.

Payment terms

The interest and fee payable shall be payable by Weigao Holding Group on the designated dates as stated in the relevant finance leasing or factoring agreements entered into between Weigao Holding Group and the Group. The payment terms for the interests and fees shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no more favourable than those given to independent third parties by the Group.

Historical Transaction Amounts

The actual aggregate value of finance leasing and factoring amount provided by the Group to Weigao Holding Group for the financial year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024	Six months ended 30 June 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual aggregate value of finance leasing and factoring amount	353.8	132.0

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the finance leasing and factoring business contemplated under the Finance Leasing and Factoring Framework Agreement (as supplemented by the Supplemental Finance Leasing and Factoring Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	600.0	N/A	N/A
Proposed Annual Caps	N/A	600.0	600.0

The Proposed Annual Caps for the finance leasing and factoring amount provided by the Group to Weigao Holding Group are determined with reference to factors including, (i) the actual aggregate value of finance leasing and factoring amounts provided by the Group to Weigao Holding Group for the year ended 31 December 2024 and the six months ended 30 June 2025; (ii) the expected demand for finance leasing and factoring services by Weigao Holding Group for each of the two years ending 31 December 2027, taking into account the expected contract amount to be renewed in 2026 and 2027; and (iii) the pricing of the finance leasing and factoring services to be provided by the Group.

(5) *The Supplemental Sales Framework Agreement*

Under the Sales Framework Agreement, the Company agrees to sell or procure its subsidiaries to sell, and Weigao Holding agrees to purchase or procure its subsidiaries or associates to purchase products including but not limited to, medical devices, carton box and moulding.

On 28 November 2025, the Company entered into the Supplemental Sales Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2027; (ii) propose new annual caps of RMB620.0 million and RMB650.0 million for each of the financial years ending 31 December 2026 and 2027, respectively; and (iii) change the payment terms from within three to six months from the date of acceptance of the goods to within one to six months from the date of acceptance of the goods. Except for the extension of the duration of the agreement, the proposition of the new annual caps for the years ending 31 December 2026 and 2027 and the revision of the payment terms, all other terms of the Sales Framework Agreement remain unchanged.

Pricing policy

Prices and terms of sales with respect to products sold by the Group shall be determined in the ordinary course of business on normal commercial terms, negotiated on an arm's length basis and at prices and terms no more favourable to the Weigao Holding Group or no less favorable terms to the Group, than those available to independent third parties.

Payment terms

The sales amount of the products shall be payable by Weigao Holding Group within one to six months from the date of acceptance of the goods.

The payment terms for the sales of the products by the Group shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no more favourable than those given to independent third parties by the Group.

Historical Transaction Amounts

The actual transaction amounts of sales by the Group to Weigao Holding Group for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024	Six months ended 30 June 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual transaction amount of sales	434.0	186.8

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the transactions contemplated under the Sales Framework Agreement (as supplemented by the Supplemental Sales Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	600.0	N/A	N/A
Proposed Annual Caps	N/A	620.0	650.0

The Proposed Annual Caps for sales by the Group to Weigao Holding Group are determined with reference to factors including, (i) the actual transaction amounts of sales by the Group to Weigao Holding Group for the year ended 31 December 2024 and the six months ended 30 June 2025; (ii) the prospects and overview of the PRC medical device industry; (iii) the expected business growth and accordingly the increasing product demand from Weigao Holding Group; and (iv) the pricing of the products to be provided by the Group.

(6) The Supplemental Services Framework Agreement

Under the Services Framework Agreement, the Company agrees to purchase or procure its subsidiaries to purchase, and Weigao Holding agrees to provide or procure its subsidiaries or associates to provide services including but not limited to, transportation, dormitory, premises, security, catering services and hotel services.

On 28 November 2025, the Company entered into the Supplemental Services Framework Agreement with Weigao Holding to (i) revise the annual cap for the year ending 31 December 2025 from RMB65 million to RMB80 million; (ii) extend the agreement term for two years to 31 December 2027; and (iii) propose new annual caps of RMB86.0 million and RMB95.0 million for each of the financial years ending 31 December 2026 and 2027, respectively. Except for the extension of the duration of the agreement, revision of annual cap for the year ending 31 December 2025 and the proposition of the new annual caps for the years ending 31 December 2025, 2026 and 2027, all other terms of the Services Framework Agreement remain unchanged.

Pricing policy

The pricing of the services to be provided by Weigao Holding Group shall be determined with reference to prevailing prices of comparable services available in the market and provided by independent third parties. Prices and terms of services to be provided by Weigao Holding Group shall be determined in the ordinary course of business on normal commercial terms, negotiated on an arm's length basis and at prices and terms no more favourable to the Weigao Holding Group or no less favorable terms to the Group, than those available to independent third parties.

Payment terms

The amount of the services shall be payable by the Group on monthly or quarterly basis, depends on the types of services. The payment terms for the services provided by Weigao Holding Group shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no less favourable than those given to independent third parties by Weigao Holding Group.

Historical Transaction Amounts

The actual transaction amounts for the services provided by Weigao Holding Group to the Group for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024 <i>Approximately RMB million</i>	Six months ended 30 June 2025 <i>Approximately RMB million</i>
Actual transaction amount	64.5	33.7

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025, the proposed revised annual cap for the year ending 31 December 2025, and the Proposed Annual Caps in respect of the transactions contemplated under the Services Framework Agreement (as supplemented by the Supplemental Services Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	65.0	N/A	N/A
Proposed Annual Caps	80.0	86.0	95.0

The proposed revised annual cap for the provision of services by Weigao Holding Group to the Group the year ending 31 December 2025 was determined with reference to factors including (i) increase of subsidiaries of the Company and increase in number of employees of the Group from 12,333 as at 30 June 2023 to 13,063 as at 30 June 2025, which led to an increased demand for catering services; and (ii) the improvement in dining standards provided by the Group to its employees, which in turns increase the cost of procuring such services from Weigao Holding Group.

The Proposed Annual Caps for the provision of services by Weigao Holding Group to the Group are determined with reference to factors including, (i) the actual transaction amounts for the year ended 31 December 2024 and the six months ended 30 June 2025; (ii) the number of employees expected to use the catering services; (iii) the number of guests, including investors, customers, business partners expected to use the catering services and hotel services in Weihai, Shandong Province; (iv) the area of Group's office buildings, factories, dormitories, and public areas; (v) the expected number of employees and visitors of the Group for the two years ending 31 December 2027; and (vi) the pricing of services to be provided by Weigao Holding Group.

(7) The Supplemental Tenancy Framework Agreement

Under the Tenancy Framework Agreement, the Group agrees to lease its premises located at industrial zone at Chucun in Weihai in Shandong Province, the PRC and sublease its leased premises in various sales market areas to Weigao Holding Group and receive rentals therefrom.

On 28 November 2025, the Company entered into the Supplemental Tenancy Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2027; and (ii) propose new annual caps of RMB41.0 million and RMB42.0 million for each of the financial years ending 31 December 2026 and 2027, respectively. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2026 and 2027, all other terms of the Tenancy Framework Agreement remain unchanged.

Pricing policy

The rental amount shall be determined with reference to the market comparable in the relevant areas of the subject properties.

Payment terms

The rental shall be payable by Weigao Holding Group on a quarterly or annual basis, varying among different properties.

The payment terms for the rental of properties by Weigao Holding Group shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no less favourable than those given to independent third parties by Weigao Holding Group.

Historical Transaction Amounts

The actual amounts of rental received by the Group from Weigao Holding Group for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024	Six months ended 30 June 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual amounts of rental	12.0	3.5

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the rental payable under the Tenancy Framework Agreement (as supplemented by the Supplemental Tenancy Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	38.0	N/A	N/A
Proposed Annual Caps	N/A	41.0	42.0

The Proposed Annual Caps for the rental receivable by the Group from Weigao Holding Group are determined with reference to factors including, (i) the quotation of prevailing market rental rates of premises in proximity to production plant at Chucun in Weihai, Shandong Province; (ii) market rent levels of leased premises in various sales markets; and (iii) the property market development trend at Weihai in Shandong Province and other regions.

(8) The Supplemental Services Provision Framework Agreement

Under the Services Provision Framework Agreement, the Company agrees to provide or procure its subsidiaries to provide, and Weigao Holding agrees to purchase or procure its subsidiaries or associates to purchase medical related services including but not limited to, sterilization, examination, radiation validation, market management and maintenance services.

On 28 November 2025, the Company entered into the Supplemental Services Provision Framework Agreement with Weigao Holding to (i) extend the agreement term for two years to 31 December 2027; (ii) propose new annual caps of RMB47.0 million and RMB55.0 million for the financial years ending 31 December 2026 and 2027, respectively. Except for the extension of the duration of the agreement and the proposition of the new annual caps for the years ending 31 December 2026 and 2027, all other terms of the Services Provision Framework Agreement remain unchanged.

Pricing policy

The pricing of the medical related services charged by the Group shall be fair and reasonable and shall not be more favourable than the pricing of similar services provided by the Group to independent third parties during the same period.

Payment terms

The amount of services shall be payable by Weigao Holding Group within one month from the date of confirmation and billing by both parties. The payment terms for the services provided by the Group shall be negotiated on arm's length basis between the parties thereto and be determined based on normal commercial terms. The terms shall be no more favourable than those given to independent third parties by the Group.

Historical Transaction Amounts

The actual amounts of service fee for the medical related services provided by the Group to Weigao Holding Group for the year ended 31 December 2024 and the six months ended 30 June 2025 are set out below.

	Year ended 31 December 2024	Six months ended 30 June 2025
	<i>Approximately RMB million</i>	<i>Approximately RMB million</i>
Actual amounts of service fee	13.6	7.1

Proposed Annual Caps

The existing annual cap for the year ending 31 December 2025 and the Proposed Annual Caps in respect of the service fee payable by the Weigao Holding Group under the Services Provision Framework Agreement (as supplemented by the Supplemental Services Provision Framework Agreement) for the two years ending 31 December 2027 are set out below.

	Year ending 31 December		
	2025	2026	2027
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Existing annual cap	65.0	N/A	N/A
Proposed Annual Caps	N/A	47.0	55.0

The Proposed Annual Caps for service fee for the medical related services provided by the Group to Weigao Holding Group are determined with reference to factors including, (i) the expected demand for the relevant services by Weigao Holding Group for each of the two years ending 31 December 2027, taking into account of the historical transaction amount; (ii) the pricing of the services to be provided by the Group; and (iii) the expected business growth of Weigao Holding Group.

INTERNAL CONTROL MEASURES IN RESPECT OF THE CCT AGREEMENTS

To safeguard the interests of the Company and the Shareholders as a whole, the Company has adopted internal monitoring procedures relating to the transactions under the CCT Agreements (as supplemented by the Supplemental Agreements).

In general, for the purchase of products or services from Weigao Holding Group by the Group, designated staff has been assigned to compare the pricings and terms of the products or services offered by Weigao Holding Group to those charged or quoted by at least two independent suppliers for similar products or services and make sure that the pricings and terms of the products or services charged by Weigao Holding Group are no less favourable than those offered by independent suppliers. The comparison will be submitted to a finance manager of the Company for approval.

For the sale of products or provision of services by the Group to Weigao Holding Group, designated staff has been assigned to compare the pricings and terms of the products or services offered by the Group to Weigao Holding Group to those offered by the Group to independent customers for similar products or services and make sure that the pricings and terms of the products or services offered to Weigao Holding Group are no more favourable than those offered to independent customers. The comparison will be submitted to a finance manager of the Company for approval.

The Group has also assigned designated staff in the finance department to monitor the transaction amounts under each of the CCT Agreements (as supplemented by the Supplemental Agreements) from time to time (no less frequent than on a quarterly basis). In case, by quarter-end, the transaction amount has approached a utilization rate of a multiple 25% of the relevant annual cap of the year, the finance manager will promptly review the underlying reasons, evaluate whether any revision to the annual cap is necessary and report to the Board (if necessary).

The independent non-executive Directors and auditors of the Company will conduct annual review of the transactions under the CCT Agreements (as supplemented by the Supplemental Agreements) and provide annual confirmations in accordance with the Listing Rules that the transactions are conducted in accordance with the terms of the agreements and the Group's pricing policy measures, and to confirm if the prices and terms offered are fair and reasonable and comparable to those offered to/by independent third parties.

Reasons for and Benefits of Entering into the Supplemental Agreements

The Company has been conducting business with Weigao Holding and its subsidiaries and associates since the listing of the Company on the Stock Exchange in 2004. Weigao Holding is a conglomerate corporate and a reliable supplier as a long term and reputable business associate with profound experiences in sectors, including but not limited to the production of medical equipment, sanitary products, medical packaging materials and pharmaceuticals, hotel business, construction, and provision of catering services and logistic services. Upon recent review of the Group's business development and its anticipation of the continuous usage/provision of the products/services by the Group and given that the CCT Agreements will expire on 31 December 2025, the Directors proposed to renew all the CCT Agreements to 31 December 2027 by entering into the Supplemental Agreements.

The transactions contemplated under the Supplemental Agreements are expected to be of a recurrent nature and will occur on a regular and a continuing basis in the ordinary and usual course of business of the Group and Weigao Holding Group. The products and services contemplated under the Supplemental Agreements will be negotiated on an arm's length basis and comparable with terms available from or to independent third parties.

DIRECTORS' VIEW ON ENTERING INTO THE SUPPLEMENTAL AGREEMENTS

Mr. Long Jing, Mr. Cong Rinan, Mr. Tang Zhengpeng and Mr. Chen Lin, who are also directors of Weigao Holding, have abstained from voting on the relevant Board resolutions approving the Supplemental Agreements and the transactions contemplated thereunder.

The executive Directors, namely Mr. Lu Junqiang and Mr. Wang Daoming and all the independent non-executive Directors consider that the Supplemental Agreements (except for the Supplemental Purchase Framework Agreement and the Supplemental Logistic Support Services Framework Agreement) were entered into in the ordinary and usual course of business of the Group, are conducted on an arm's length basis and on normal commercial terms (including the relevant Proposed Annual Caps and (where applicable) the proposed revised annual cap), and are fair and reasonable and in the interests of the Company and Shareholders as a whole.

The independent non-executive Directors will give their view on whether the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) were entered into in the ordinary and usual course of business of the Group, are conducted on an arm's length basis and on normal commercial terms (including the relevant Proposed Annual Caps), and are fair and reasonable and in the interests of the Company and Shareholders as a whole in the circular to be despatched to the Shareholders after considering the advice from the Independent Financial Adviser.

INFORMATION REGARDING THE GROUP, WEIGAO HOLDING, LOGISTIC COMPANY AND LANHAI BANK

The Group

The Group is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

Weigao Holding

Weigao Holding was established under the laws of the PRC with limited liability in August 1998 with registered capital of RMB1.2 billion. Weigao Holding is a conglomerate group, which is engaged in different business sectors, including production and sales of pharmaceutical and medical equipment, property development, hotel business, and food and beverage services and logistic business in the PRC.

As at the date of this announcement, Weigao Holding was owned as to 89.83% by 威海威高國際醫療投資控股有限公司 (Weihai Weigao International Medical Investment Holding Company Limited*) (“**Weigao Medical Investment Holding**”), 5.79% by Mr. Chen Xueli and 0.81% by Mr. Chen Lin (a non-executive Director). Mr. Chen Lin is the son of Mr. Chen Xueli. The remaining 3.57% interest in Weigao Holding is held by four individuals, namely Mr. Zhang Huawei, Mrs. Zhou Shuhua, Mr. Wang Yi and Mr. Miao Yanguo, all being independent third parties of the Company. Weigao Medical Investment Holding is an investment holding company incorporated in the PRC and is owned as to 50.8% by Mr. Chen Xueli, 6.9% by Mr. Chen Lin and 7.5% by 濟南市創鑫股權投資合夥企業(有限合夥)(Jinan City Chuangxin Equity Investment Partnership (Limited Partnership)*, an equity investment fund in the PRC. 濟南市創鑫股權投資合夥企業(有限合夥)(Jinan City Chuangxin Equity Investment Partnership (Limited Partnership)* is held directly and indirectly as to 100% by 山東省財金投資集團有限公司 (Shandong Provincial Financial Investment Group Co., Ltd.*), which is in turn held directly and indirectly as to 100% by the Finance Department of Shandong Province (山東省財政廳). The remaining 32.1% interest in Weigao Medical Investment Holding is held as to 16.05% by Mr. Zhang Huawei, 8.65% by Mrs. Zhou Shuhua, 4.63% by Mr. Wang Yi and 2.77% by Mr. Miao Yanguo, all being independent third parties of the Company. The remaining 2.7% interest in Weigao Medical Investment Holding is held by 威海威高勵誠控股有限公司 (Weihai Weigao Licheng Holding Limited*), which is held as to 55.89% by Mr. Chen Xueli, 8% by Mr. Chen Lin, 18% by Mr. Zhang Huawei, 10% by Mrs. Zhou Shuhua, 5.11% by Mr. Wang Yi and 3% by Mr. Miao Yanguo.

Logistic Company

Logistic Company is a company incorporated under the laws of the PRC with limited liability in May 2006 with registered capital of RMB99.0 million and it is a subsidiary of Weigao Holding. Logistic Company is principally engaged in medical device supply chain logistic services in the PRC.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Logistic Company is owned as to 90% by 上海固誠醫院管理有限公司 (Shanghai Gucheng Hospital Management Company Limited*) (“**Shanghai Gucheng**”) and 10% by 威海維康醫療科技服務有限公司 (Weihai Weikang Medical Technology Services Company Limited*), a wholly owned subsidiary of Weigao Holding. Shanghai Gucheng is owned as to 70% by Weigao Holding, 20% by Weigao Medical Investment Holding and 10% by 威海盛熙企業管理諮詢中心(有限合夥)(Weihai Shengxi Corporate Management Consulting Center (Limited Partnership*)) (“**Weihai Shengxi**”). Weihai Shengxi is an equity investment company incorporated in the PRC with 威海威高金融控股有限公司 (Weihai Weigao Financial Holding Company Limited*), which in turn is 98% owned by Weigao Medical Investment Holding and 2% owned by Weigao Holding, being the executive partner.

Lanhai Bank

Lanhai Bank is a registered privately owned bank in the PRC and is principally engaged in provision of deposit services, settlement services, credit services and other financial services.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Lanhai Bank is owned as to 30% by Weigao Holding and 70% by independent third parties, which include 赤山集團有限公司 (Chishan Group Company Limited*) (“**Chishan Group**”) with shareholding interests of 22.5%, 迪尚集團有限公司 (Dishang Group Company Limited*) (“**Dishang Group**”) with shareholding interests of 12.5%, 青島福瑞馳科技有限公司 (Qingdao Furuichi Technology Company Limited*) (“**Qingdao Furuichi**”) with shareholding interests of 9.9%, 興民智通(集團)股份有限公司 (Xingmin Intelligent Transportation Systems (Group) Company Limited) (“**Xing Min Zhi Tong**”) with shareholding interests of 9.5%, 山東安德利集團有限公司 (Shandong Andre Group Company Limited*) (“**Shandong Andre Group**”) with shareholding interests of 8.1% and 煙台振華購物中心有限公司 (Yantai Zhenhua Shopping Center Company Limited*) (“**Yantai Zhenhua Shopping Center**”) with shareholding interests of 7.5%.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Chishan Group is owned as to 88.125% by Wang Zhifang. The remaining 11.875% shareholding interests in Chishan Group is owned by 12 individuals with each of them holding less than 5% shareholding interests.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Dishang Group is owned as to 80% by Zhu Lihua, 10% by Zhu Hongtao, 9% by Li Shuli and 1% by Liang Zifan.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Qingdao Furuichi is owned as to 90% by Sun Yexiao and 10% by Xue Guizhi.

Xing Min Zhi Tong is a company listed on the Shenzhen Stock Exchange (002355.SZ). According to the interim report of Xing Min Zhi Tong for the six months ended 30 June 2025, it is owned as to 8.38% by 四川盛邦創恒企業管理有限責任公司 (Sichuan Sheng Bang Chuang Heng Corporate Management Company Limited*) (**“Sichuan Sheng Bang”**) and 6.45% by 青島豐啟環保新能源科技有限公司 (Qingdao Fengqi Environmental Protection New Energy Technology Company Limited*) (**“Qingdao Fengqi”**). Sichuan Sheng Bang is controlled by Qingdao Fengqi, which in turn is controlled by Zhao Feng. Save for the above, there are no other shareholders holding 5% shareholding interests in Xing Min Zhi Tong or above.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Shandong Andre Group is owned as to 90% by Wang An and 10% by Yang Yuhua.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Yantai Zhenhua Shopping Center is owned as to 99.01% by 煙台振華商業集團有限公司 (Yantai Zhenhua Commercial Group Company Limited*) (**“Yantai Zhenhua Commercial Group”**) and 0.99% by 煙台開發區振華商廈有限公司 (Yantai Development Zone Zhenhua Commercial Buildings Company Limited*). Yantai Zhenhua Commercial Group is owned as to approximately 69.46% by Liu Yuehua, approximately 15.41% by Long Lijun and approximately 15.13% by Han Jieyun.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Weigao Holding is the controlling shareholder of the Company holding approximately 46.22% of the total issued share capital of the Company (excluding treasury shares). Logistic Company is a subsidiary of Weigao Holding and Lanhai Bank is a 30%-controlled company of Weigao Holding. Accordingly, Weigao Holding, Logistic Company and Lanhai Bank are connected persons of the Company and the transactions contemplated under the Supplemental Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the Supplemental Agreements (other than the Supplemental Purchase Framework Agreement and the Supplemental Logistic Support Services Framework Agreement) is more than 0.1% but less than 5%, such agreements are subject to the reporting, announcement and annual review requirements, but are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of each of the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) is over 5%, the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

The Independent Board Committee has been formed to consider whether the terms of the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) and the transactions contemplated thereunder, and the relevant Proposed Annual Caps are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to voting at the EGM. The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in these regards.

A circular containing (i) further details of the transactions contemplated under the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement) and the Logistic Support Services Framework Agreement (as supplemented the Supplemental Logistic Support Services Framework Agreement); (ii) the recommendation of the Independent Board Committee; (iii) the advice of the Independent Financial Adviser; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before 12 December 2025.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires.

“2018 Announcement”	the announcement of the Company dated 5 December 2018 in relation to, among others, the CCT Agreements other than the Deposit Services Agreement, the Services Provision Framework Agreement and the Logistic Support Services Framework Agreement;
“2019 Announcement”	the announcement of the Company dated 20 December 2019 in relation to, among others, the Deposit Services Agreement;

“2021 Announcement”	the announcement of the Company dated 16 November 2021 in relation to among others, the CCT Agreements;
“2023 Announcements”	the announcements of the Company dated 30 August 2023, 6 September 2023 and 12 September 2023 in relation to, among others, the renewal of CCT Agreements on 30 August 2023;
“30%-controlled company”	has the meaning ascribed thereto under the Listing Rules;
“associate”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the board of Directors;
“CCT Agreements”	the Bank Deposit Services Agreement, the Finance Leasing and Factoring Framework Agreement, the Logistic Support Services Framework Agreement, the Purchase Framework Agreement, the Sales Framework Agreement, the Services Framework Agreement, the Services Provision Framework Agreement and the Tenancy Framework Agreement;
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules;
“Company”	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), a joint stock limited company incorporated in the PRC with limited liability and the Shares of which are listed on the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;

“Deposit Services Agreement”	the agreement dated 23 August 2017 entered into between the Company and Lanhai Bank (as supplemented by the supplemental agreements dated 20 December 2019, 16 November 2021 and 30 August 2023) in relation to bank deposit services provided by Lanhai Bank to the Group;
“Director(s)”	director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and to consider and, if thought fit, approve, the Purchase Framework Agreement (as supplemented by the Supplemental Purchase Framework Agreement), the Logistic Support Services Framework Agreement (as supplemented by the Supplemental Logistic Support Services Framework Agreement) and the transactions contemplated thereunder (including the relevant Proposed Annual Caps);
“Finance Leasing and Factoring Framework Agreement”	the agreement dated 5 December 2018 entered into between the Group and Weigao Holding (as supplemented by the supplemental agreements dated 27 September 2019, 2 November 2020, 16 November 2021 and 30 August 2023) in relation to the provision of finance leasing and factoring services to Weigao Holding Group;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an committee of the Board comprising all the independent non-executive Directors;

“Independent Financial Adviser”	Halcyon Capital Limited, a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activities;
“Independent Shareholders”	Shareholders other than Weigao Holding, Mr. Long Jing, Mr. Cong Rinan and Mr. Chen Lin and their respective associates;
“Lanhai Bank”	威海藍海銀行股份有限公司 (Weihai Lanhai Banking Corporation*), a registered privately-owned bank incorporated in May 2017 in the PRC and a 30%-controlled company of Weigao Holding;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Logistic Company”	山東威高醫藥有限公司 (Shandong Weigao Medical Company Limited*), a company incorporated under the laws of the PRC with limited liability and a subsidiary of Weigao Holding;
“Logistic Company Group”	Logistic Company and its subsidiaries;
“Logistic Support Services Framework Agreement”	the agreement dated 16 November 2021 entered into between the Company and Logistic Company (as supplemented by the supplemental agreement dated 30 August 2023) in relation to the provision of logistic support services by Logistic Company Group;
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;

“Proposed Annual Caps”	the proposed annual caps for the financial years ending 31 December 2026 and 2027 for the transactions contemplated under the Supplemental Agreements;
“Purchase Framework Agreement”	the agreement dated 5 December 2018 entered into between the Company and Weigao Holding (as supplemented by the supplemental agreements dated 27 September 2019, 18 December 2019, 26 August 2020, 28 October 2020, 16 November 2021 and 30 August 2023) in relation to the purchase of medical based products from Weigao Holding Group;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sales Framework Agreement”	the agreement dated 5 December 2018 entered into between the Company and Weigao Holding (as supplemented by the supplemental agreements dated 18 December 2019, 2 November 2020, 16 November 2021 and 30 August 2023) in relation to the sale of products to Weigao Holding Group;
“Services Framework Agreement”	the agreement dated 5 December 2018 entered into between the Company and Weigao Holding (as supplemented by the supplemental agreements dated 2 November 2020, 16 November 2021 and 30 August 2023) in relation to the provision of services by Weigao Holding Group to the Group;
“Services Provision Framework Agreement”	the agreement dated 16 November 2021 entered into between the Company and Weigao Holding (as supplemented by the supplemental agreement dated 30 August 2023) in relation to the provision of medical related services by the Group to Weigao Holding Group;

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shares(s)”	H share(s) of RMB0.1 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Agreements”	the Supplemental Deposit Services Agreement, the Supplemental Finance Leasing and Factoring Framework Agreement, the Supplemental Logistic Support Services Framework Agreement, the Supplemental Purchase Framework Agreement, the Supplemental Sales Framework Agreement, the Supplemental Services Framework Agreement, the Supplemental Services Provision Framework Agreement and the Supplemental Tenancy Framework Agreement;
“Supplemental Deposit Services Agreement”	the agreement dated 28 November 2025 entered into between parties to the Deposit Services Agreement to extend the duration of the Deposit Services Agreement;
“Supplemental Finance Leasing and Factoring Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Finance Leasing and Factoring Framework Agreement to extend the duration of the Finance Leasing and Factoring Framework Agreement;
“Supplemental Logistic Support Services Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Logistic Support Services Framework Agreement to extend the duration of the Logistic Support Services Framework Agreement and propose new annual caps for the financial years ending 31 December 2026 and 2027;

“Supplemental Purchase Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Purchase Framework Agreement to extend the duration of the Purchase Framework Agreement and propose new annual caps for the financial years ending 31 December 2026 and 2027;
“Supplemental Sales Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Sales Framework Agreement to extend the duration of the Sales Framework Agreement and propose new annual caps for the financial years ending 31 December 2026 and 2027;
“Supplemental Services Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Services Framework Agreement to extend the duration of the Services Framework Agreement, revise the annual cap for the year ending 31 December 2025 and propose new annual caps for the financial years ending 31 December 2026 and 2027;
“Supplemental Services Provision Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Services Provision Framework Agreement to extend the duration of the Services Provision Framework Agreement and propose new annual caps for the financial years ending 31 December 2026 and 2027;
“Supplemental Tenancy Framework Agreement”	the agreement dated 28 November 2025 entered into between parties to the Tenancy Framework Agreement to extend the duration of the Tenancy Framework Agreement and propose new annual caps for the financial years ending 31 December 2026 and 2027;
“Tenancy Framework Agreement”	the agreement dated 5 December 2018 entered into between the Company and Weigao Holding (as supplemented by the supplemental agreements dated 2 November 2020, 16 November 2021 and 30 August 2023) in relation to the leasing of premises to Weigao Holding Group;

“Weigao Holding”	Weigao Holding Company Limited* (威高集團有限公司), a company established under the laws of the PRC with limited liability and a controlling shareholder of the Company, holding approximately 46.22% of the total issued share capital of the Company (excluding treasury shares) as at the date of this announcement;
“Weigao Holding Group”	Weigao Holding and its subsidiaries (other than the Group); and
“%”	per cent.

By order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Long Jing
Chairman

Weihai, Shandong, the PRC, 28 November 2025

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

Executive Directors

Mr. Long Jing (*Chairman*)

Mr. Cong Rinan (*Chief Executive Officer*)

Mr. Lu Junqiang

Mr. Wang Daoming

Non-executive Directors

Mr. Chen Lin

Mr. Tang Zhengpeng

Independent non-executive Directors

Mr. Li Guohui

Mrs. Meng Hong

Mr. Li Qiang

Mr. Sun Heng