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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)

MANDATE FOR ISSUANCE OF DEBT SECURITIES

To improve capital efficiency and to optimise the asset structure of the Group, the Company proposes to obtain a mandate from the Shareholders for the issuance of Debt Securities.

Under Article 85 of the Articles, the issuance of Debt Securities by the Company will require the approval of the shareholders by way of a special resolution.

MANDATE FOR ISSUANCE OF DEBT SECURITIES

(1) Background

To improve capital efficiency and to optimise the asset structure of the Group, the Company proposes to obtain a mandate from the Shareholders for the issuance of Debt Securities.

(2) The mandate

The terms of the mandate for the issuance of the Debt Securities are set out below.

Size of issue

The amount of the Debt Securities will not exceed RMB400 million (or equivalent foreign currency) which can be issued in one tranche or more tranches.

Validity period of the mandate

The mandate shall be valid until the second anniversary of the date of the Shareholders approving the resolution for the mandate.

Term of the Debt Securities

The term of the Debt Securities will not exceed the 20th anniversary from the date of issue.

Use of proceeds

The proceeds from the issuance of the Debt Securities may be used to meet the Group's production and operation needs, as additional working capital, and invest in projects that are in the interests and benefits of the Group and its shareholders.

Other terms

The other terms of the Debt Securities (including interest rate and the provision of any credit enhancement (if any)) will be determined according to the prevailing market conditions at the time of issue in compliance with all the relevant regulations.

(3) Requirement under the Articles

Under Article 85 of the Articles, the issuance of Debt Securities by the Company will require the approval of the shareholders by way of a special resolution.

REASONS AND BENEFITS

The mandate for issuance of Debt Securities will provide the Company with flexibility in its debt financing and allow the Company to optimize its debt structure.

EXTRAORDINARY GENERAL MEETING

An extraordinary general meeting will be held for the purpose of considering and, if thought fit, approving the mandate for issuance of Debt Securities.

A circular containing details of the mandate for issuance of Debt Securities and the relevant notice of the meeting and a proxy form, will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Articles”	articles of association of the Company
“Board”	the board of the Company
“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 liability company incorporated in the PRC
“Debt Securities”	publicly listed or private debt financing instruments, including but not limited to corporate bonds, perpetual bonds, asset-backed securities, convertible bonds in domestic and overseas markets, or a combination of the above
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“H Shares”	shares of the Company, with a nominal value of RMB0.10 each, which are traded in Hong Kong dollar
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

* *For identification purpose only*

Weihai, Shandong, the PRC, 30 October 2020

As at the date hereof, the Board comprises of:

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*)