
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Shandong Weigao Group Medical Polymer Company Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)
(stock code: 8199)

PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS

A letter from the board of directors of Shandong Weigao Group Medical Polymer Company Limited (the "Company") is set out on pages 4 to 7 of this circular.

A notice of the extraordinary general meeting of the Company to be held at 9:00 a.m. on Monday, 15 December 2008, at 312, Shichang Road, Weihai, Shandong Province, the People's Republic of China (the "EGM"), is set out on pages 8 to 10 of this circular.

A reply slip and a proxy form for use at the EGM are enclosed and are also published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you are able to attend the EGM, you are requested to read the notice of the EGM and complete and return the form of proxy in accordance with the instructions printed thereon to the Company's H Share registrar in Hong Kong, or to the registered office of the Company, in person or by post as soon as possible but in any event not less than 24 hours before the time stipulated for convening the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the accompanying reply slip to the Company's H Share registrar in Hong Kong, or to the registered office of the Company, in accordance with the instructions printed thereon, on or before Monday, 24 November 2008.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for seven days from the date of its publication and on the Company website at www.weigaogroup.com.

* For identification purposes only

28 October 2008

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities trade on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of directors of the Company
“Company”	Shandong Weigao Group Medical Polymer Company Limited
“Directors”	the directors of the Company, including the independent non-executive directors of the Company
“Distribution JV”	美敦力威高骨科器械有限公司 (Medtronic Weigao Orthopaedic Device Company Ltd) (formerly known as Meiwei Orthopaedic Device Company Ltd), a company incorporated in the PRC and owned as to 51% by Medtronic International Ltd. and 49% by the Company
“Domestic Shares”	ordinary shares in the share capital of the Company, with a nominal value of RMB0.10 each, which are subscribed for in Renminbi by PRC nationals and/or PRC incorporated entities
“EGM”	the extraordinary general meeting of the Company to be held on Monday, 15 December 2008 at 9:00 a.m. at 312, Shichang Road, Weihai, Shandong Province, PRC
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“H Shares”	overseas listed foreign invested shares of nominal value of RMB0.10 each in the ordinary share capital of the Company, which are traded on the Stock Exchange in HK dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	24 October 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Management Shareholders”	Mr. Chen Lin, Mr. Zhang Hua Wei, Mr. Miao Yan Guo, Mr. Wang Yi, Ms. Zhou Shu Hua, Mr. Wang Zhi Fan, Mr. Wu Chuan Ming and Mr. Jiang Qiang

DEFINITIONS

“Medtronic”	Medtronic, Inc., a corporation incorporated under the laws of Minnesota, United States of America, and the shares of which are listed on the New York Stock Exchange
“Medtronic International Ltd.”	Medtronic International Limited, established in Delaware, registered in Hong Kong as an oversea company (CR No.: F0001631) with its address at 16/F Manulife Plaza, 33 Hysan Avenue, Causeway Bay, Hong Kong
“Medtronic Switzerland”	Medtronic Holding Switzerland G.m.b.H., a wholly-owned subsidiary of Medtronic
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	80,721,081 Domestic Shares, being part of the Domestic Shares held by Weigao Holding and Management Shareholders which together represent 8.1% of the entire issued share capital of the Company as at 18 December 2007 and which will represent, immediately after completion of the transaction contemplated under the SPA (as amended, modified and supplemented by the Supplemental Deed), 7.5% of the enlarged issued share capital of the Company
“Shareholders”	holders of shares of the Company
“SPA”	the subscription and sale and purchase deed dated 18 December 2007 entered into between the Company, Weigao Holding, the Management Shareholders, Medtronic and Medtronic Switzerland
“Supplemental Deed”	the supplemental deed in respect of the SPA, entered into by and among the Company, Weigao Holding, the Management Shareholders, Medtronic and Medtronic Switzerland on 22 October 2008 which, among other things, reinstated the effect of the SPA and extended the deadline for the fulfillment of the conditions precedent under the SPA (as amended, modified and supplemented by the Supplemental Deed) from 30 September 2008 to 31 December 2008, and as further detailed in the announcement of the Company dated 22 October 2008
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subscription Shares”	80,721,081 new H Shares which will represent, immediately after completion of the transaction contemplated under the SPA (as amended, modified and supplemented by the Supplemental Deed), 7.5% of the enlarged issued share capital of the Company
“Weigao Holding”	Weigao Holding Company Limited, a limited liability company established in the PRC whose principal place of business is at 312 Shi Chang Road, Weihai, Shandong Province, PRC

LETTER FROM THE BOARD



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)

(stock code: 8199)

Executive Directors:

Mr. Zhang Hua Wei
Mr. Miao Yan Guo
Mr. Wang Yi
Mr. Wang Zhi Fan
Mr. Wu Chuan Ming

*Registered office and principal
place of business in the PRC:*
312 Shi Chang Road
Weihai
Shandong Province
PRC

Non-executive Directors:

Mr. Chen Xue Li
Ms. Zhou Shu Hua

*Principal place of business
in Hong Kong:*
801, Chinachem Century Tower
178 Gloucester Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Shi Huan
Mr. Luan Jian Ping
Mr. Li Jia Miao
Mr. Lau Wai Kit

28 October 2008

To the Shareholders:

Dear Sir or Madam,

PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS

1. INTRODUCTION

Reference is made to the announcement of the Company dated 22 October 2008. The Board is pleased to propose the appointment of two non-executive directors nominated by Medtronic to the Board subject to the completion of the issuance of the Subscription Shares and the sale and purchase of the Sale Shares to Medtronic Switzerland and the approval by the Shareholders at the upcoming EGM to be held at 9:00 a.m. on Monday, 15 December 2008.

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the EGM to approve the appointment of the two directors, and to enable you to make a decision on whether to vote for or against the resolutions referred to herein.

LETTER FROM THE BOARD

2. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS

Subject to the completion of the issuance of Subscription Shares by the Company, and sale of the Sale Shares by Weigao Holding and the Management Shareholders, to Medtronic Switzerland, and approval by the Shareholders at the upcoming EGM to be held on Monday, 15 December 2008, the Board proposes to appoint Mr. Jean-Luc Butel (“Mr. Butel”) and Mr. Li Bing Yung (“Mr. Li”) as non-executive directors of the Company (Mr. Butel and Mr. Li, together referred to as the “Medtronic Nominees”). The Medtronic Nominees have each been nominated for appointment as Directors by Medtronic pursuant to the terms of the SPA as previously described in the announcement of the Company dated 22 October 2008. Subject to the approval by the Shareholders of the appointment of the Medtronic Nominees as Directors at the upcoming EGM, the term of office of the Medtronic Nominees will take effect upon completion date of the SPA (as amended, modified and supplemented by the Supplemental Deed), which shall take place on the fifth (5th) business day from and excluding the date on which the last of the conditions set forth in the SPA (as amended, modified and supplemented by the Supplemental Deed) have been fulfilled or waived (as the case may be) or such other date as the parties thereto may agree, and until the expiration of the term of the current Board.

Biographical details and information relating to each of Mr. Butel and Mr. Li pursuant to Rule 17.50(2) of the GEM Listing Rules are set out hereunder.

Mr. Jean-Luc Butel

Mr. Butel, age 51, is senior vice president of Medtronic and the President of Medtronic International. Mr. Butel is responsible for all of Medtronic’s operations outside of the United States. Prior to holding his current position, Mr. Butel served as President of Medtronic in Asia Pacific and he was responsible for managing and driving all business activities for Medtronic in the Asia Pacific region. Prior to joining Medtronic, he was the president of Independence Technology, a Johnson & Johnson company, where he focused on providing mobility systems for the movement impaired. From 1991 to 1999, he worked for Becton Dickinson, initially as the general manager of its microbiology business in Japan and then as President of Nippon Becton Dickinson. From 1985 to 1991, Mr. Butel was with Johnson & Johnson and served multiple roles including general manager of Fiji, China project manager and marketing director of Johnson & Johnson’s ophthalmic business in Southeast Asia.

Mr. Butel has a bachelor degree in International Affairs from George Washington University and a master degree in Business and Administration from American Graduate School of International Management (Thunderbird).

Mr. Li Bing Yung

Mr. Li, age 58, is and has been President of Medtronic’s operations in the greater China region since February 2007. Prior to his current position, Mr. Li served as vice president of the commercial operations section of several Medtronic’s operations in the greater China region. Mr. Li has extensive

LETTER FROM THE BOARD

experience in management in the Asia Pacific region. From 1996 to 2005, Mr. Li was with Johnson & Johnson Medical (China) Co. Ltd. where he held a number of executive positions and he was subsequently promoted to International Vice President in North Asia.

Prior to joining Johnson & Johnson in 1996, Mr. Li was the managing director in Asia Pacific for the ConvaTec Division of Bristol Myers Squibb for 9 years.

Mr. Li graduated with a bachelor degree in Social Sciences from the University of Hong Kong in 1976 and obtained a masters degree in Business Administration from Henley Management School of the United Kingdom in 1989.

There is no service contract entered into between the Company and Mr. Butel and Mr. Li, respectively. Neither Mr. Butel nor Mr. Li will receive any remuneration arising from their appointments as Directors. Mr. Li has been appointed as a director of the Distribution JV.

Save as disclosed herein, as at the date of the Latest Practicable Date, neither Mr. Butel nor Mr. Li:-

- (a) holds any other positions with the Company or any other members of the Group;
- (b) has any relationship with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company;
- (c) holds any directorships in other listed public companies in the last three years; and
- (d) has any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Other than the matters disclosed herein, there are no other matters concerning Mr. Butel and Mr. Li that are required to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

3. EGM

The EGM will be convened and held at 9:00 a.m. on Monday, 15 December 2008 whereby the Shareholders will consider and, approve the proposed appointment of non-executive Directors by way of an ordinary resolution. The relevant resolutions are set out in the attached notice of the EGM.

Shareholders whose name appeared on the register of members of the Company on Monday, 15 December 2008 are entitled to attend and vote at the EGM. The register of members of the Company will be closed from Saturday, 15 November 2008 to Monday, 15 December 2008, both days inclusive, during such period no share transfer will be registered. If you intend to attend the EGM, whether in person or by proxy, you are required to complete and return the accompanying reply slip in accordance with the instructions printed thereon as soon as possible and in any event by not later than Monday, 24 November 2008. Whether or not you are able to attend the EGM, you are requested to complete

LETTER FROM THE BOARD

and return the accompanying forms of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time stipulated for convening the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Ordinary resolutions for approving the appointment of the non-executive Directors will be put forward to the Shareholders at the EGM to be held on Monday, 15 December 2008. The proposed appointment of the non-executive Directors is also subject to the compliance of Rule 17.50(2) and the requirements of Rule 5.02 of the GEM Listing Rules which stipulate that the appointment of Directors is subject to the satisfaction of the Stock Exchange that the Directors have the character, experience and integrity and are able to demonstrate a standard of competence commensurate with their position as Directors.

4. PROCEDURES FOR DEMANDING A POLL

Subject to the requirements under the GEM Listing Rules, pursuant to Article 80 of the Company's Articles of Association at any Shareholders' general meeting, a resolution shall be decided on a show of hands unless a poll is demanded before or after any vote by show of hands.

Under the Company's Articles of Association, a poll can be demanded by:

- (a) the chairman of the meeting;
- (b) at least two shareholders entitled to vote in person or by proxy;
- (c) one or more shareholders (including proxy) holding individually or holding an aggregate of 10% or more of the shares carrying the right to vote at the meeting.

Unless a poll is demanded, the chairman of the meeting will announce the results of the passing of a resolution according to the show of hands, which will be recorded in the minutes of the meeting and treated as conclusive evidence without the need to prove the number or the proportion of votes for or against the resolution passed. A request to vote by poll may be withdrawn by the person who made such request.

5. RECOMMENDATIONS

Based on the information disclosed herein, the Directors believe that the proposed appointment of Mr. Butel and Mr. Li are in the interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour of the ordinary resolutions as set out in the notice of the EGM.

By Order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Chen Xue Li
Chairman

Weihai, Shandong, the PRC
28 October 2008

NOTICE OF EXTRAORDINARY GENERAL MEETING AND BOOK CLOSURE NOTICE



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)
(stock code: 8199)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the Company will be held at 312 Shichang Road, Weihai, Shandong Province, the People’s Republic of China (the “PRC”) on Monday, 15 December 2008 at 9:00 a.m. for the purpose of considering, and, if thought fit, passing the following resolutions (unless otherwise indicated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 28 October 2008):

AS ORDINARY RESOLUTIONS

1. To consider and approve, subject to the completion of the issuance of the Subscription Shares by the Company, and the sale of the Sale Shares by Weigao Holding and the Management Shareholders, to Medtronic Switzerland, the appointment of Mr. Butel as non-executive director of the Company, with effect upon the completion date of the SPA (as amended, modified and supplemented by the Supplemental Deed) and to authorize a Director to execute all documents or do such lawful acts and things as deemed necessary or desirable for the purpose of giving effect to such appointment.
2. To consider and approve, subject to the completion of the issuance of the Subscription Shares by the Company, and the sale of the Sale Shares by Weigao Holding and the Management Shareholders, to Medtronic Switzerland, the appointment Mr. Li as non-executive director of the Company, with effect upon the completion date of the SPA (as amended, modified and supplemented by the Supplemental Deed) and to authorize a Director to execute all documents or do such lawful acts and things as deemed necessary or desirable for the purpose of giving effect to such appointment.

BOOK CLOSURE NOTICE

The register of members of the Company will be closed from Saturday, 15 November 2008 to Monday, 15 December 2008 (both days inclusive), during which period no transfer of shares will be registered.

In order to be entitled to attend and vote at the EGM, holders of Company’s H Shares must lodge all share transfer documents (including the duly stamped instruments of transfer and the relevant share certificate(s)) to the H Share registrar of the Company, Tricor Standard Limited, for completion of the registration of the relevant share transfer no later than 4:00 p.m. on Friday, 14 November 2008.

** For identification purposes only*

NOTICE OF EXTRAORDINARY GENERAL MEETING AND BOOK CLOSURE NOTICE

The address of the Company's H Share registrar is as follows:

Tricor Standard Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

By Order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Chen Xue Li
Chairman

28 October 2008
Shandong, the PRC

Notes:

- (i) A Shareholder who has the right to attend and vote at the EGM is entitled to appoint one proxy (or more) in writing to attend the EGM and vote on his behalf in accordance with the Company's Articles of Association. The proxy need not be a shareholder of the Company. Enclosed herewith a form of proxy for use in the general meeting. Any Shareholder who wishes to appoint a proxy should first review the form of proxy for use in the EGM. For any Shareholder who has appointed more than one proxies, such proxies shall only vote on poll. In the case of joint registered holders, the proxy form may be signed by any joint registered holder. In the case that more than one of such joint registered holders are present at any meeting personally or by proxy, then one such joint registered holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (ii) All Shareholders shall appoint its proxy in writing. To be valid, a form of proxy together with a power of attorney or other authority, if any, under which it is signed or certified by a notary or an official copy of that power of attorney or authority, must be delivered at the Company's H Share registrar in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong (in respect of the holder of H Shares) and the Company's principal place of business at No. 312 Shichang Road, Weihai, Shandong Province, PRC (in respect of the holder of the Domestic Shares) not less than 24 hours before the time appointed for holding the EGM or 24 hours before the time designated for voting.
- (iii) Shareholders and their proxies attending the EGM shall produce their proof of identification.
- (iv) The register of members in Hong Kong will be closed from Saturday, 15 November 2008 to Monday, 15 December 2008, both days inclusive, during which no transfer of shares will be effected. In order to be eligible to attend the EGM and to vote thereat as shareholders, all transfers of shares together with the relevant share certificates must be delivered at the Company's H Share registrar, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong no later than 4:00 p.m. on Friday, 14 November 2008.

NOTICE OF EXTRAORDINARY GENERAL MEETING AND BOOK CLOSURE NOTICE

- (v) The holders of the H Shares who intend to attend the EGM, whether in person or by proxy, should complete and return the reply slip to the Company's H Share registrars in Hong Kong, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong no later than Monday, 24 November 2008 by hand, by post, by telegraph or by fax to (852) 2528 3158.
- (vi) The holders of the Domestic Shares who intend to attend the EGM, whether in person or by proxy, should complete and return the reply slip to the Company's registered address at No. 312 Shichang Road, Weihai, Shandong Province, PRC no later than Monday, 24 November 2008 by hand, by post, by telegraph or by fax to (86) 631 5622419.
- (vii) The EGM is expected not to exceed half a day, and all shareholders and proxies shall be responsible for their own traveling and accommodation expenses.
- (viii) Pursuant to Article 80 of the Company's Articles of Association, a poll may be demanded by the following persons:
 - (a) the chairman of the meeting;
 - (b) at least two shareholders entitle to vote present in person or by proxy;
 - (c) one or more shareholders (including proxy) holding individually or holding an aggregate of 10% or more of the shares carrying the right to vote at the meeting.

Unless a poll is demanded, the chairman of the meeting will announce the results of the passing of a resolution according to the show of hands, which will be recorded in the minutes of the meeting and treated as conclusive evidence without the need to prove the number or the proportion of votes for or against the resolution passed. A request to vote by poll may be withdrawn by the person who made such request.

- (ix) Any enquiries about this notice and the EGM shall be sent for the attention to Ms. Xing Jingran at No. 312 Shichang Road, Weihai, Shandong Province, PRC (Tel. (86) 631 5622418).