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Yestar Healthcare Holdings Company Limited

巨星醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2393)

SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2018

Reference is made to the annual report of Yestar Healthcare Holdings Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2018 (the "**2018 Annual Report**"). Unless otherwise defined, terms used therein shall bear the same meanings as defined in the 2018 Annual Report.

As disclosed in the 2018 Annual Report, the Company has not utilized the net proceeds from the allotment of the Subscription Shares. The Board would like to provide supplemental information on the details of the unutilized proceeds for the next two years ending 31 December 2019 and 31 December 2020 as follows:

Intended Use of Proceeds from the Subscription Shares

Intended use of net proceeds	**Amount of net proceeds allocated** *HK$ million*	**Amount to be utilized for the year ending 31 December 2019** *HK$ million*	**Amount to be utilized for the year ending 31 December 2020** *HK$ million*
Possible acquisition to expand market share	163.88	—	163.88
Repayment of interest bearing borrowings to reduce finance cost	163.88	163.88	—
General working capital	81.94	40.97	40.97
Total	409.70	204.85	204.85

The Company intends to use the net proceeds as planned as disclosed in the announcement of the Company dated 30 November 2018. The Directors are not aware of any material change to the planned use of proceeds from the allotment of the Subscription Shares. The Company expects to utilize the balance of net proceeds from the Share Subscription of HK$409.7 million for the next two years ending 31 December 2019 and 31 December 2020 as disclosed above.

By Order of the Board
Yestar Healthcare Holdings Company Limited
Hartono James
Chairman, CEO and Executive Director

Hong Kong, 8 August 2019

As at the date of this announcement, the executive Directors are Mr. Hartono James, Ms. Wang Ying, Mr. Chan To Keung, Ms. Wang Hong and Mr. Chan Chung Man; the independent non-executive Directors are Dr. Hu Yiming, Mr. Karsono Tirtamarta (Kwee Yoe Chiang) and Mr. Sutikno Liky.