AK MEDICAL HOLDINGS LIMITED
愛康醫療控股有限公司
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1789)

SUPPLEMENTAL ANNOUNCEMENT

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to (i) the annual report of AK Medical Holdings Limited (the "**Company**") for the year ended 31 December 2019 (the "**2019 Annual Report**"); and (ii) the prospectus of the Company dated 7 December 2017 (the "**Prospectus**"). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the 2019 Annual Report and the Prospectus, respectively.

The Board would like to provide an update to the use of the proceeds from the Global Offering as supplemental information to the 2019 Annual Report, details of which are set out as follows:

USE OF PROCEEDS FROM THE GLOBAL OFFERING

	Planned Use of Proceeds from the Global Offering as stated in the Prospectus			Actual Use of Proceeds up to 31 December 2019	Balance as of 31 December 2019	Expected timeline of full utilisation of the unutilised proceeds from the Global Offering
No.	**Planned Use of Proceeds**	**Percentage as to the Net Proceeds** *(%)*	**Amount** *(HK$ million)*	**Amount** *(HK$ million)*	**Amount** *(HK$ million)*	
1.	Construction of the Changzhou Facilities, and, to a lesser extent, upgrading the existing facilities in Beijing and acquisition of new equipment for both the Changzhou Facilities and the existing facilities in Beijing	41	195	191	4	On or before 31 December 2020
2.	Development and upgrade of the 3D-printed products and PTIP	21	100	66	34	On or before 31 December 2020

No.	Planned Use of Proceeds	Planned Use of Proceeds from the Global Offering as stated in the Prospectus: Percentage as to the Net Proceeds (%)	Planned Use of Proceeds from the Global Offering as stated in the Prospectus: Amount (HK$ million)	Actual Use of Proceeds up to 31 December 2019: Amount (HK$ million)	Balance as of 31 December 2019: Amount (HK$ million)	Expected timeline of full utilisation of the unutilised proceeds from the Global Offering
3.	Other R&D activities	15	73	68	5	On or before 31 December 2020
4.	Funding potential acquisitions and developing strategic alliances that could complement the existing product portfolio, technology and business growth	15	73	73	–	N/A
5.	General corporate purposes	8	36	36	–	N/A
	Total	**100**	**477**	**434**	**43**	

During the two years ended 31 December 2018 and 2019, respectively, the net proceeds from the Global Offering was used in accordance with the intended purposes previously disclosed in the Prospectus and there was no material change in the use of proceeds. The unutilised amount is expected to be used in accordance with the intended purposes as disclosed in the Prospectus and stated above.

The Board confirmed that the above supplemental information does not affect other information contained in the 2019 Annual Report and, save as disclosed above, the content of the 2019 Annual Report remains accurate and unchanged.

In the event that there is any material change in the intended use of the net proceeds from the Global Offering as described in the Prospectus, the Company will make appropriate disclosure by way of an announcement in due course.

By order of the Board
AK Medical Holdings Limited
Li Zhijiang
Chairman

Beijing, 14 August 2020

As at the date of this announcement, the Board comprises Mr. Li Zhijiang, Ms. Zhang Bin, Mr. Zhang Chaoyang and Ms. Zhao Xiaohong as executive Directors, Dr. Wang David Guowei as non-executive Director, and Mr. Kong Chi Mo, Dr. Li Shu Wing David and Mr. Eric Wang, as independent non-executive Directors.