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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)

**GRANT OF SHARES OPTIONS
AND
GRANT OF SHARE AWARDS**

GRANT OF SHARES OPTIONS AND GRANT OF SHARE AWARDS

The Board is pleased to announce that on 31 March 2022, the Company offered to grant (i) share options under the Share Option Scheme; and (ii) share awards under the Share Award Scheme, respectively, to selected employees of the Group.

GRANT OF SHARE OPTIONS PURSUANT TO THE SHARE OPTION SCHEME

This section is made pursuant to Rule 17.06A of the Listing Rules.

The Board is pleased to announce that on 31 March 2022 (the “**Date of Grant**”), the Company offered to grant 8,582,362 Options to 112 selected eligible persons (the “**Grantees**”) under the Share Option Scheme to subscribe for an aggregate of 8,582,362 Shares (representing approximately 0.77% of the issued share capital of the Company as at the date of this announcement and approximately 0.76% of the enlarged issued share capital of the Company upon exercise in full of the Options, respectively), subject to acceptance by the Grantees and the vesting period and conditions set out below.

Principal terms of the Options granted under the Share Option Scheme are set out below:

Date of grant: 31 March 2022

Number of Options: 8,582,362

Exercise price of Options: HK\$4.66 per Share, representing the highest of:

- (i) the closing price of HK\$4.66 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant, being 31 March 2022;

(ii) the average closing price of HK\$4.41 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant, being 24 March 2022 to 30 March 2022; and

(iii) HK\$0.01, being the nominal value of the Share.

Closing price of the Shares on the Date of Grant: HK\$4.66 per Share

Validity period of the Options: From 31 March 2022 to 30 March 2032 (both dates inclusive)

Vesting period and conditions of the Options:

- (i) 1,716,472 Options, representing 20% of the total Options granted, will be vested on 31 March 2023 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Grantee;
- (ii) 1,716,472 Options, representing 20% of the total Options granted, will be vested on 31 March 2024 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Grantee;
- (iii) 2,574,709 Options, representing 30% of the total Options granted, will be vested on 31 March 2025 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Grantee; and
- (iv) 2,574,709 Options, representing 30% of the total Options granted, will be vested on 31 March 2026 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Grantee.

The Grantees

All the Grantees are employees of the Group. Among the total 8,582,362 Options granted, 660,304 Options were granted to Ms. Zhao Xiaohong (“**Ms. Zhao**”), an executive Director. The grant of Options to Ms. Zhao was approved by all the independent non-executive Directors pursuant to Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme.

Save as disclosed above, none of the Grantees is a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) as at the date of this announcement.

GRANT OF SHARE AWARDS PURSUANT TO THE SHARE AWARD SCHEME

Reference is made to the announcement of the Company dated 8 December 2020 (the “**Announcement**”) in relation to the Share Award Scheme adopted by the Company. Unless otherwise stated, terms defined in the Announcement shall have the same meanings when used in this announcement.

The Board is also pleased to announce that on 31 March 2022 (the “**Date of Award**”), the Company offered to grant a total of 838,784 Awarded Shares to 112 Selected Participants, subject to acceptance by the Selected Participants and the vesting period and conditions set out below.

The 838,784 Awarded Shares granted to the Selected Participants represent approximately 0.08% of the issued share capital of the Company as at the date of this announcement. The 838,784 Awarded Shares represent a value of HK\$3,908,733, by reference to the closing price of HK\$4.66 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Award.

The 838,784 Awarded Shares will be satisfied with the existing issued Shares held by the Trustee. As no new Shares will be issued by the Company as a result of the grant of the Awarded Shares, there will not be any dilution effect on the shareholdings of existing shareholders of the Company. The Trustee shall hold the Awarded Shares in trust for the Selected Participants, and shall transfer such Awarded Shares to the Selected Participants at nil consideration until and upon satisfaction of the following vesting period and conditions:

Vesting period and conditions of the Awarded Shares:

- (i) 167,757 Awarded Shares, representing 20% of the total Awarded Shares granted, will be vested on 31 March 2023 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Selected Participant;
- (ii) 167,757 Awarded Shares, representing 20% of the total Awarded Shares granted, will be vested on 31 March 2024 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Selected Participant;
- (iii) 251,635 Awarded Shares, representing 30% of the total Awarded Shares granted, will be vested on 31 March 2025 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Selected Participant; and

- (iv) 251,635 Awarded Shares, representing 30% of the total Awarded Shares granted, will be vested on 31 March 2026 conditional upon the achievement or attainment of certain performance targets by the Company and the respective Selected Participant.

Each of the Selected Participants is an employee of the Group and is a third party independent of the Company and its connected persons. The grant of Awarded Shares is regarded as a human resource expense item of the Company and forms part of the remuneration package of the relevant Selected Participant.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	AK Medical Holdings Limited (stock code: 1789), a company incorporated under the laws of the Cayman Islands with limited liability and whose Shares are listed and traded on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Options”	the rights granted by the Company to a Grantee under the Share Option Scheme which permits (but does not obligate) the Grantee to subscribe for Shares in accordance with the terms of the Share Option Scheme and the terms of the Options
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 8 December 2020, constituted by the rules thereof, in its present form or as amended from time to time in accordance with the provisions thereof

“Share Option Scheme”	the share option scheme adopted by the Company on 17 November 2017, constituted by the rules thereof, in its present form or as amended from time to time in accordance with the provisions thereof
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 31 March 2022

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.