

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, 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 announcement.



TOWN HEALTH INTERNATIONAL HOLDINGS COMPANY LIMITED

康健國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8138)

**PROPOSED TRANSFER OF LISTING FROM THE GROWTH ENTERPRISE
MARKET TO THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

Financial adviser to the Company



FIRST SHANGHAI CAPITAL LIMITED

The Board is pleased to announce that the Company has submitted a formal application form to the Stock Exchange on 9 July 2008 for the proposed transfer of listing of the Shares from GEM to the Main Board of the Stock Exchange.

There is no assurance that permission will be obtained from the Stock Exchange for the Proposed Transfer. Shareholders and potential investors should be aware that the implementation of the Proposed Transfer is subject to the conditions set out below being fulfilled and thus may or may not become effective. Accordingly, the Proposed Transfer may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that the Company has submitted a formal application form to the Stock Exchange on 9 July 2008 for the proposed transfer of listing of the Shares from GEM to the Main Board of the Stock Exchange.

The Directors would like to emphasize that the definitive timetable for the Proposed Transfer has not yet been finalised. There is no assurance that the Company will proceed with the Proposed Transfer.

The Proposed Transfer will not involve issue of any new Shares by the Company.

CONDITIONS OF THE PROPOSED TRANSFER

If the Company proceeds with the Proposed Transfer, the following conditions must be fulfilled:

- (i) the Main Board Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue; and any new Shares which may be issued upon the exercise of (a) any options which may be granted under the share option scheme adopted by the Company pursuant to a resolution passed by the Shareholders on 24 April 2002 and (b) any rights attaching to the call option granted by the Company to Rising Step Investments Limited to subscribe for up to 3,393,583,143 new Shares pursuant to the call option agreement dated 29 March 2008; and
- (ii) all other relevant consents required or in connection with the implementation of the Proposed Transfer having been obtained, and the fulfillment of all conditions which may be attached to such consents, if any.

There is no assurance that permission will be obtained from the Stock Exchange for the Proposed Transfer. Shareholders and potential investors should be aware that the implementation of the Proposed Transfer is subject to the conditions set out above being fulfilled and thus may or may not become effective. Accordingly, the Proposed Transfer may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR THE PROPOSED TRANSFER

The Group is a management service provider for private medical and dental practices and an integrated healthcare service provider for the general public in Hong Kong predominantly under its widely known brandname “Town Health Centre”. The Group’s business activities can be broadly categorized into (i) provision of healthcare and dental services; and (ii) sale of healthcare and pharmaceutical products.

The Directors believe that the listing of the Shares on the Main Board will help to enhance the profile of the Group and increase the trading liquidity of the Shares and recognitions by attracting larger institutional and retail investors. The Directors consider that the listing of the Shares on the Main Board will be beneficial to the future growth, financial flexibility and business development of the Company. No change in nature of business of the Group is contemplated by the Directors following the Proposed Transfer.

GENERAL

The Company will make further announcement(s) to keep the Shareholders and potential investors informed on the progress of the Proposed Transfer.

DEFINITIONS

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

“Board”	the board of the Directors
“Company”	Town Health International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM (stock code: 8138)
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Main Board”	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Main Board Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange responsible for the Main Board listing matters
“Proposed Transfer”	the proposed transfer of listing of the Shares from GEM to the Main Board pursuant to the Rules Governing the Listing of Securities on the Main Board
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)” the holder(s) of the Share(s)

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By order of the Board
Town Health International Holdings Company Limited
Choi Ka Yee, Crystal
Chairman

Hong Kong, 9 July 2008

As at the date of this announcement, the executive Directors are Miss Choi Ka Yee, Crystal, Dr. Cho Kwai Chee, Mr. Cho Kwai Yee, Kevin, Dr. Fung Yiu Tong, Bennet and Dr. Hui Ka Wah, Ronnie JP, the non-executive Director is Dr. Francis Choi Chee Ming JP, and the independent non-executive Directors are Mr. Chan Kam Chiu, Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George.

This announcement, 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 Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement 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 announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the Company’s own website at <http://www.townhealth.com>.

* *For identification purposes only.*