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Town Health International Medical Group Limited
康健國際醫療集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

UPDATE ON THE FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2019

This announcement is made by Town Health International Medical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company and potential investors that, based on information currently available, the consolidated profit of the Group for the year ended 31 December 2019 (“**Year 2019**”) is expected to decrease significantly as compared with the consolidated profit of the Group for the year ended 31 December 2018 (“**Year 2018**”) of approximately HK\$85.5 million. Such decrease was mainly attributable to (a) a fair value loss of the Group’s investment properties for Year 2019 (while a fair value gain of approximately HK\$25.7 million of the Group’s investment properties was recorded for Year 2018); and (b) the absence of reversal of impairment loss in respect of promissory note for Year 2019 (while reversal of impairment losses in respect of promissory note of HK\$30 million and other receivables of approximately HK\$2.3 million were recorded for Year 2018).

The Group is performing assessment and valuation against its investments and it may record impairment losses on its investments for Year 2019, subject to final results of such assessment and valuation being made available to the Group.

The Company is still in the process of finalising the annual results of the Group for Year 2019. The information contained in this announcement is only a preliminary assessment by the management of the Company based on figures and information made available to the Board as at the date hereof and is not based on any figures or information which has been reviewed by the Company's auditors. Finalised annual results of the Group and other details will be disclosed in the 2019 annual results announcement to be published by the Company.

Trading in the shares of the Company on the Stock Exchange will remain suspended until further notice.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Town Health International Medical Group Limited
Chen Jinhao
Executive Director
and Chief Executive Officer

17 February 2020

As at the date of this announcement, the executive Director is Mr. Chen Jinhao (Chief Executive Officer), the non-executive Directors are Mr. Wan Yiqing (Chairman) and Ms. Fang Haiyan (Deputy Chairperson); and the independent non-executive Directors are Mr. Ho Kwok Wah, George, MH, Mr. Yu Xuezhong and Ms. Li Mingqin.