

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim 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 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)

**SUPPLEMENTAL ANNOUNCEMENT RELATING
TO THE 2020 ANNUAL REPORT**

Reference is made to the annual report of Town Health International Medical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2020 dated 26 March 2021 (the “**2020 Annual Report**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the 2020 Annual Report.

The Board wishes to update its shareholders and potential investors on the expected timeline of the unutilised net proceeds from (i) the Ordinary Shares Subscription and the CPS Subscription; and (ii) the CLG Subscription, as at 31 December 2020.

As at 31 December 2020, the unutilised net proceeds from (i) the Ordinary Shares Subscription and the CPS Subscription; and (ii) the CLG Subscription, amounted to approximately HK\$605 million and approximately HK\$996 million respectively, details of which are set out below:

Net proceeds from the Ordinary Shares Subscription and the CPS Subscription

Use of net proceeds	Planned use of net proceeds (HK\$ million)	Actual use of net proceeds as at 31 December 2020 (HK\$ million)	Unutilised balance of net proceeds as at 31 December 2020 (HK\$ million)	Expected timeline for utilisation of unutilised net proceeds
Acquisition, investment and development of hospitals and medical institutions in the PRC, and medical or healthcare related business in Hong Kong	650	244	406	End of 2023
Investment and development of several medical specialty centres in Hong Kong and one dental chain in the PRC	150	13	137	End of 2023
Developing a “one-stop, IT O2O platform” to integrate the Group’s growing variety of healthcare and well-being business segments	80	18	62	End of 2023
Total	880	275	605	

Net proceeds from the CLG Subscription

Use of net proceeds	Planned use of net proceeds (HK\$ million)	Actual use of net proceeds as at 31 December 2020 (HK\$ million)	Unutilised balance of net proceeds as at 31 December 2020 (HK\$ million)	Expected timeline for utilisation of unutilised net proceeds
Developing a dental chain in the PRC and investing in or acquiring dental clinics and/or hospitals in the PRC; developing or acquiring medical clinics in the PRC; developing hospitals, investing in or acquiring public or private hospitals in the PRC; and developing or acquiring rehabilitation hospitals and where appropriate in conjunction with nursing and/or aged care homes in the PRC	1,500	646	854	End of 2023
Developing or acquiring business in provision of health check, laboratory testing and medical diagnostic services in the PRC	150	104	46	End of 2023
Developing managed care business in the PRC and cross border healthcare platform for medical tourism business	96	0	96	End of 2023
Total	1,746	750	996	

The Board currently has no intention to change the planned use of the above net proceeds. The expected timeline for using the unutilised net proceeds is based on the best estimation of the business market situations made by the Board and might be subject to changes based on the market conditions. Further announcement(s) in respect of change in the expected timeline, if any, will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate to update its shareholders and potential investors.

The Board confirmed that the supplemental information provided in this announcement does not affect any other information contained in the 2020 Annual Report and, save as disclosed above, the contents of the 2020 Annual Report remain unchanged.

By order of the Board

Town Health International Medical Group Limited

Jin Zhaogen

Executive Director and Chief Executive Officer

27 August 2021

As at the date of this announcement, the executive Directors are Mr. Jin Zhaogen (Chief Executive Officer) and Ms. Zhao Xiangke (Chief Financial Officer); the non-executive Directors are Mr. Kong Dechang (Chairman) and Mr. Hou Jun; and the independent non-executive Directors are Mr. Ho Kwok Wah, George, MH, Mr. Yu Xuezhong and Dr. Xu Weiguo.