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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Town Health International Medical Group Limited (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser, the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

#### **(1) RE-ELECTION OF RETIRING DIRECTORS; (2) GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES; AND (3) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company to be held at 9:00 a.m. on Monday, 28 June 2021 at Room 2203, 22/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong is set out on pages 16 to 21 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon by 9:00 a.m. on Saturday, 26 June 2021 or not less than 48 hours before the time appointed for holding the adjourned meeting to the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish, and in such event the instrument appointing a proxy shall be deemed to be revoked.

**Please see the section headed “PRECAUTIONARY MEASURES FOR THE AGM” in this circular for measures being taken to try to prevent and control the spread of the Coronavirus Disease (COVID-19) pandemic at the meeting.**

27 May 2021

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## **PRECAUTIONARY MEASURES FOR THE AGM**

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In view of the ongoing COVID-19 pandemic and requirements for prevention and control of its spread, the Company will implement the following preventive measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature screening/checks will be administered on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, exhibiting respiratory infection symptoms, or is apparently unwell, may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All Shareholders, proxies and other attendees are required to complete and submit a health and travel declaration form prescribed by the Company and comply with the entry requirements of the AGM venue prior to entry into the AGM venue. Those (a) who have been in close contact during the 21 days prior to the AGM with anyone known or suspected to have become infected with COVID-19, or (b) who themselves, or have been in close contact with persons who, have returned to Hong Kong during the 21 days prior to the AGM, or (c) who are themselves, or are residing with anyone who is, subject to compulsory quarantine, will be barred from the AGM venue. Any person who does not comply with these requirements may be denied entry into the AGM venue or be required to leave the AGM venue.
- (iii) Attendees must wear a surgical face mask at all times (including queuing for registration outside the AGM venue and throughout the AGM) and must follow the seating arrangement fixed by the Company.
- (iv) No refreshments will be served, and there will be no corporate gifts.

Attendees are in addition requested to observe and practise proper personal hygiene at all times. To the extent permitted under the applicable laws, the Company reserves the right to deny entry into the AGM venue or require any person to leave the venue so as to ensure the health and safety of the AGM attendees.

In the interest of all stakeholders' health and safety and consistent with the latest COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

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## DEFINITIONS

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*In this circular, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company convened to be held at 9:00 a.m. on Monday, 28 June 2021 at Room 2203, 22/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong, the notice of which is set out on pages 16 to 21 of this circular, or any adjournment thereof
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Broad Idea”	Broad Idea International Limited
“Bye-laws”	the bye-laws of the Company
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	Town Health International Medical Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose Shares are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	the general mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate as set out in the resolution numbered 7 in the notice convening the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

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## DEFINITIONS

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“Issue Mandate”	the general mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 5 in the notice convening the AGM
“Latest Practicable Date”	21 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Board
“Nomination Policy”	the nomination policy of the Company
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares which shall not exceed 10% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 6 in the notice convening the AGM
“Retiring Directors”	the Directors retiring at the AGM and, being eligible, offering themselves for re-election at the AGM in accordance with the Bye-laws
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

*References to time and dates in this circular are to Hong Kong time and dates.*

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Jin Zhaogen (*Chief Executive Officer*)  
Ms. Zhao Xiangke (*Chief Financial Officer*)

*Non-executive Directors:*

Mr. Kong Dechang (*Chairman*)  
Mr. Hou Jun

*Independent non-executive Directors:*

Mr. Ho Kwok Wah, George, *MH*  
Mr. Yu Xuezhong  
Dr. Xu Weiguo

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Head office and principal place  
of business in Hong Kong:*

6th Floor  
Town Health Technology Centre  
10-12 Yuen Shun Circuit  
Siu Lek Yuen  
Shatin, New Territories  
Hong Kong

27 May 2021

*To the Shareholders*

Dear Sir or Madam,

**(1) RE-ELECTION OF RETIRING DIRECTORS;  
(2) GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO  
REPURCHASE SHARES;  
AND  
(3) NOTICE OF ANNUAL GENERAL MEETING**

#### INTRODUCTION

The Company will propose resolutions at the AGM to, among other matters, re-elect the Retiring Directors and grant to the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate upon the expiry of the current general mandates to issue Shares and to repurchase Shares granted to the Directors at the annual general meeting of the Company held on 29 June 2020.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with further information on the resolutions to be proposed at the AGM and to give you notice of the AGM at which the resolutions will be proposed to consider and, if thought fit, approve such matters.

### RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 99 of the Bye-laws and pursuant to code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Yu Xuezhong will retire by rotation at the AGM. Mr. Yu Xuezhong, being eligible, will offer himself for re-election at the AGM.

In accordance with Bye-law 102(B) of the Bye-laws and pursuant to code provision A.4.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Kong Dechang, Mr. Jin Zhaogen, Ms. Zhao Xiangke and Dr. Xu Weiguo, being appointed by the Board to fill a casual vacancy or as an addition to the existing Board, will hold office until the AGM and Mr. Kong Dechang, Mr. Jin Zhaogen, Ms. Zhao Xiangke and Dr. Xu Weiguo, being eligible, will offer themselves for re-election at the AGM.

Information on the Retiring Directors as required to be disclosed by the Listing Rules is set out in Appendix I to this circular.

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 29 June 2020, ordinary resolutions were passed to grant the general mandates to the Directors (i) to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued Shares as at 29 June 2020 and the number (up to a maximum of 10% of the number of issued Shares as at 29 June 2020) of any Shares repurchased by the Company; and (ii) to repurchase Shares not exceeding 10% of the number of issued Shares as at 29 June 2020.

The general mandates will expire at the conclusion of the AGM. Resolutions will be proposed at the AGM to grant the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors.

An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular.



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## LETTER FROM THE BOARD

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### AGM

Notice convening the AGM is set out on pages 16 to 21 of this circular. At the AGM, resolutions will be proposed to, among other matters, consider and, if thought fit, to re-elect the Retiring Directors and to approve the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate. As required under the Listing Rules, all resolutions put to vote at the AGM will be decided by way of poll.

To ascertain the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 23 June 2021 to Monday, 28 June 2021, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. on Tuesday, 22 June 2021.

Form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon by 9:00 a.m. on Saturday, 26 June 2021 or not less than 48 hours before the time appointed for holding the adjourned meeting to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish, and in such case the form of proxy previously submitted shall be deemed to be revoked.

### RECOMMENDATION

The Directors believe that the re-election of the Retiring Directors and the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote for all the resolutions to be proposed at the AGM.

By order of the Board  
**Town Health International Medical Group Limited**  
**Jin Zhaogen**  
*Executive Director and Chief Executive Officer*

*The following is the information required to be disclosed by the Listing Rules on the Retiring Directors proposed to be re-elected at the AGM:*

**(A) MR. YU XUEZHONG (“MR. YU”)**

Mr. Yu Xuezhong, aged 63, has been appointed as an independent non-executive Director since June 2015. Mr. Yu is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. Mr. Yu has profound knowledge and extensive experience in teaching, scientific research and clinical experience in emergency medicine. Mr. Yu is currently an assistant to the medical superintendent, a professor in emergency medicine and a supervisor of the emergency medicine division of Peking Union Medical College Hospital. He is also the chairman of 中國醫師協會急診醫學分會 (in English for identification purpose only, The Society of Emergency Medicine of Chinese Medical Doctor Association) and the chairman of 中華醫學會急診醫學分會 (in English for identification purpose only, The Society of Emergency Medicine of Chinese Medical Association). Mr. Yu graduated from The Fourth Military Medical University in 1984. He obtained a master degree in medicine from 中國協和醫科大學 (in English for identification purpose only, China Union Medical University) (now known as Peking Union Medical College) in 1991.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yu (i) did not hold any other positions with the Company or other members of the Group, and (ii) did not hold any other major appointment and professional qualification.

As at the Latest Practicable Date, Mr. Yu (i) did not hold any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Director, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

The recommendation of Mr. Yu to the Board was made by the Nomination Committee after considering various factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service in accordance with the Nomination Policy and the board diversity policy of the Company. The Board has taken into account of the gender, age, cultural and educational background, and professional experience of Mr. Yu, which can bring further contribution to the Board and its diversity. The Board is satisfied that Mr. Yu has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board considers that the re-election of Mr. Yu as an independent non-executive Director would be in the interests of the Company and the Shareholders as a whole. The Board has reviewed Mr. Yu's written confirmation of independence and was satisfied with the independence of Mr. Yu having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules.

Mr. Yu has entered into a letter of appointment with the Company as an independent non-executive Director for a term commenced from 2 December 2019 to 31 December 2021, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Mr. Yu is entitled to an emolument of HK\$15,000 per month which was determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Yu as an independent non-executive Director that need to be brought to the attention of the Shareholders.

**(B) MR. KONG DECHANG (“MR. KONG”)**

Mr. Kong Dechang, aged 48, has been appointed as a non-executive Director and the chairman of the Company since 21 May 2021. Mr. Kong is also the chairman of the Nomination Committee. Mr. Kong graduated from the Shandong Institute of Mining (山東礦業學院) (now known as Shandong University of Science and Technology) in 1994 with a bachelor’s degree in engineering. He completed the postgraduate course of international law in the University of International Business and Economics in 2003. Mr. Kong obtained a doctorate degree in management from Central South University in 2007.

Mr. Kong has extensive experience in banking and insurance industries as well as management of government affairs, which together familiarized himself with corporate management, finance and investment. From 2008 to 2012, Mr. Kong worked in various departments of the Agricultural Bank of China, successively serving as the deputy office director of the board of directors, the deputy office director of Share Reform Leading Group, a vice president of Qinghai Branch, and the general manager of the “Three Agricultures” Policy and Planning Department.

From 2012 to 2016, Mr. Kong served as the deputy director of the Tianjin Financial Services Office (天津市金融服務辦公室)(renamed as Tianjin Financial Work Bureau (天津市金融工作局) in September 2014), and then the deputy director and director of the Tianjin Financial Work Bureau (天津市金融工作局). From 2016 to 2019, Mr. Kong was the mayor of Tianjin Dongli District.

From April 2019 to March 2021, Mr. Kong was a vice president of China Life Investment Holding Company Limited (國壽投資控股有限公司)(“**China Life Investment**”), which is currently known as China Life Investment Management Company Limited (國壽投資保險資產管理有限公司). Since September 2020, Mr. Kong has been the president of China Life Healthcare Investment Company Limited (國壽健康產業投資有限公司).

Save as disclosed above, as at the Latest Practicable Date, Mr. Kong did not hold any other positions with the Company or other members of the Group.

As at the Latest Practicable Date, Mr. Kong (i) did not hold any other major appointment and professional qualification, or directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Directors, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Kong has entered into a letter of appointment with the Company as a non-executive Director and the chairman of the Company for a term commenced on 21 May 2021 to 20 May 2024, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-Laws. Mr. Kong will not be entitled to any remuneration from the Company in his capacity as a non-executive Director and the chairman of the Company.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Kong as a non-executive Director that need to be brought to the attention of the Shareholders.

**(C) MR. JIN ZHAOGEN (“MR. JIN”)**

Mr. Jin Zhaogen, aged 40, has been appointed as an executive Director and the chief executive officer of the Company since 26 March 2021. Mr. Jin is also a member of each of the Nomination Committee and the Remuneration Committee. Mr. Jin is a director of a number of subsidiaries of the Group. Mr. Jin has extensive experience in equity investment and management. From 2007 to 2011, Mr. Jin worked in the asset management department of China Life Insurance (Group) Company (中國人壽保險(集團)公司) (“**China Life Insurance**”) with last position as senior supervisor. From 2011 to 2016, Mr. Jin worked in the direct investment department of China Life Investment with last position as senior investment manager. Since October 2016, Mr. Jin has been a member of the investment committee, a member of the risk management committee and the director of the Risk and Compliance Department of China Life Private Equity Investment Company Limited (國壽股權投資有限公司) (“**China Life Private Equity**”) and he has been a member of the management committee of China Life Private Equity since 2017. Mr. Jin graduated from the University of International Business and Economics in July 2002 with a bachelor’s degree in economics. In July 2007, Mr. Jin obtained a master’s degree in economics from the Institute of Finance of the People’s Bank of China (中國人民銀行金融研究所).

Save as disclosed above, as at the Latest Practicable Date, Mr. Jin (i) did not hold any other positions with the Company or other members of the Group; and (ii) did not hold any other major appointment and professional qualification.

As at the Latest Practicable Date, Mr. Jin (i) did not hold any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Directors, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Jin has entered into a letter of appointment with the Company as an executive Director for a term commenced on 26 March 2021 to 25 March 2024, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Mr. Jin is not entitled to any remuneration from the Company in his capacity as an executive Director.

Mr. Jin has also entered into a letter of appointment with the Company for his role as the chief executive officer of the Company. Mr. Jin is not entitled to any remuneration from the Company in his capacity as the chief executive officer of the Company.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Jin as an executive Director that need to be brought to the attention of the Shareholders.

**(D) MS. ZHAO XIANGKE (“MS. ZHAO”)**

Ms. Zhao Xiangke, aged 35, has been appointed as an executive Director since 26 March 2021 and has been appointed as the chief financial officer of the Company since December 2019. Ms. Zhao is also a director of a number of subsidiaries of the Company. Ms. Zhao is a member of CPA Australia. Ms. Zhao was an associate director of the Investment Management Department of China Life Private Equity from July 2018 to April 2021. Ms. Zhao had worked in the audit department and financial advisory department of two international accounting firms, serving a number of listed companies and private enterprises, and has extensive experience in the provision of financial, auditing and advisory professional services. Ms. Zhao graduated from Renmin University of China with a bachelor’s degree in economics in June 2008.

Save as disclosed above, as at the Latest Practicable Date, Ms. Zhao (i) did not hold any other positions with the Company or other members of the Group; and (ii) did not hold any other major appointment and professional qualification.

As at the Latest Practicable Date, Ms. Zhao (i) did not hold any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Directors, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

Ms. Zhao has entered into a letter of appointment with the Company as an executive Director for a term commenced on 26 March 2021 to 25 March 2024, and she will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Ms. Zhao is not entitled to any remuneration from the Company in her capacity as an executive Director.

Ms. Zhao has entered into a service contract with the Group for her role as the chief financial officer of the Company, pursuant to which she is entitled to monthly salary of HK\$131,300 and guaranteed annual bonus of HK\$100,000 from the Group in her capacity as the chief financial officer of the Company, which was determined by the Board with reference to her duties and responsibilities with the Company; and a discretionary bonus which will depend on the business performance of the Company and her performance.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Ms. Zhao as an executive Director that need to be brought to the attention of the Shareholders.

**(E) DR. XU WEIGUO (“DR. XU”)**

Dr. Xu Weiguo, aged 69, has been appointed as an independent non-executive Director since 31 March 2021. Dr. Xu is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. Dr. Xu has solid theoretical foundation and profound practical experience in clinical medicine and hospital management. Dr. Xu is currently the chairman of Health Management Branch of China Association of Medical Equipment (中國醫學裝備協會健康管理分會), a researcher of the Academic Committee of China Academy of Management Sciences (中國管理科學研究院學術委員會) and a researcher of the Health Policy Research Center of Shanghai Jiao Tong University (上海交通大學衛生政策研究中心). Dr. Xu is a former dean of the Xinhua Hospital affiliated to Shanghai Jiao Tong University School of Medicine (上海交通大學醫學院附屬新華醫院). He has also been a doctoral adviser of Shanghai Jiao Tong University.

Dr. Xu was formerly a director of the Graduate School of Strategic Management of China Hospital Development Institute (中國醫院發展研究院醫院戰略管理研究所), a member of the Academic Committee of the Research Center for Healthcare Management of School of Economics and Management of Tsinghua University (清華大學經濟管理學院醫療管理研究中心學術顧問委員會) and a final evaluation expert of the 2009年中華醫學科技獎 (in English for identification purpose only, “2009 Chinese Medical Science and Technology Award”). Dr. Xu was awarded the 2010年度中國醫院“先聲杯”優秀院長 (in English for identification purpose only, “Xian Sheng Cup 2010 – Outstanding Dean of Hospitals in China”) by the Chinese Hospital Association (中國醫院協會) in 2010 and the “華仁杯”2011最具領導力中國醫院院長 (in English for identification purpose only, “Hua Ren Cup 2011 – Dean of Best Leadership of Hospitals in China”) by the China Hospital CEO Magazine (中國醫院院長雜誌社) in 2011.

Dr. Xu graduated from Harbin Medical University in 1980 and obtained the master degree in medicine from Shanghai Jiao Tong University School of Medicine (formerly known as Shanghai Second Medical University (上海第二醫科大學)) in 1993 and the doctoral degree in management from Tongji University in 2004. Dr. Xu was qualified as a Chief Physician by Shanghai Jiao Tong University School of Medicine (formerly known as Shanghai Second Medical University) in 2000.

Save as disclosed above, as at the Latest Practicable Date, Dr. Xu (i) did not hold any other positions with the Company or other members of the Group; and (ii) did not hold any other major appointment and professional qualification.

As at the Latest Practicable Date, Dr. Xu (i) did not hold any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Directors, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

Dr. Xu has entered into a letter of appointment with the Company as an independent non-executive Director for a term commenced on 31 March 2021 to 30 March 2024, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the By-laws. Dr. Xu is entitled to an emolument of HK\$15,000 per month which was determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Dr. Xu as an independent non-executive Director that need to be brought to the attention of the Shareholders.



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## **APPENDIX II      EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE**

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This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders for their consideration of the Repurchase Mandate proposed to be approved at the AGM.

At the AGM, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all the powers of the Company to repurchase issued and fully paid Shares in the capital of the Company. Under such mandate, the number of Shares that the Company may repurchase will not exceed 10% of the number of issued Shares as at the date of passing the resolution granting the Repurchase Mandate. The Company's authority is restricted to repurchases made on the Stock Exchange.

### **(I)      SHARE CAPITAL**

As at the Latest Practicable Date, the total Shares in issue comprised 7,526,134,452 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, could accordingly result in up to 752,613,445 Shares, representing 10% of the number of issued Shares, being repurchased by the Company.

### **(II)      REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. Repurchases of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

### **(III)      FUNDING OF REPURCHASES**

The Company is empowered by the memorandum of continuance of the Company and the Bye-laws to repurchase the Shares. Repurchases will be funded entirely from the funds legally available for that purpose. The laws of Bermuda provide that the repurchase of Shares may only be effected out of the capital paid up on the repurchased Shares, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a new issue of Shares made for the purpose. Any amount of premium payable on the repurchase over the par value of the Shares to be repurchased must be out of either funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account. Such repurchase may not be made if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.



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## **APPENDIX II      EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE**

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The Directors do not propose to exercise the Repurchase Mandate to such an extent as it would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. There might be an adverse impact on the working capital or gearing position of the Company as compared with the position as at 31 December 2020, the date to which the latest audited consolidated financial statements of the Group were made up, in the event that the Repurchase Mandate is exercised in full.

### **(IV) SHARE PRICES**

Trading in the Shares on the Stock Exchange had been suspended from 27 November 2017 to 28 February 2021. The last closing price of the Shares quoted on the Stock Exchange before suspension was approximately HK\$0.69.

The highest and lowest prices at which the Shares were traded on the Stock Exchange in March 2021, April 2021 and the period from 1 May 2021 to the Latest Practicable Date were as follows:

		<b>Per Share</b>	
		<b>Highest</b>	<b>Lowest</b>
		HK\$	HK\$
2021	March	0.950	0.275
	April	0.385	0.325
	May (up to the Latest Practicable Date)	0.370	0.305

### **(V) UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda, the memorandum of continuance of the Company and the Bye-laws.

### **(VI) DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries pursuant to any exercise of the Repurchase Mandate.

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## **APPENDIX II      EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE**

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No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares pursuant to any exercise of the Repurchase Mandate.

### **(VII) IMPLICATIONS UNDER THE TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Should the Directors exercise the proposed Repurchase Mandate in full, to the best of the knowledge and belief of the Directors, on the basis that each of (i) the shareholding of Broad Idea, a substantial Shareholder holding 1,418,576,764 Shares, representing approximately 18.85% of the total number of Shares in issue as at the Latest Practicable Date; and (ii) the shareholding of China Life Insurance, a substantial Shareholder holding 1,785,098,644 Shares, representing approximately 23.72% of the total number of Shares in issue as at the Latest Practicable Date, remain the same and there is no change in the total number of Shares in issue, the shareholding of Broad Idea would be increased to approximately 20.94% of the reduced total number of Shares in issue and the shareholding of China Life Insurance would be increased to approximately 26.35% of the reduced total number of Shares in issue. Such increases would not give rise to an obligation of any such Shareholder to make a mandatory offer under Rule 26 of the Takeovers Code.

To the best of the Directors' knowledge and belief, and having made all reasonable enquiries, they are not aware of any consequences which will give rise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase Shares to the extent that the resultant total number of Shares in issue in public hands would be reduced to below 25%.

### **(VIII) SHARE REPURCHASES MADE BY THE COMPANY**

During the six months preceding the Latest Practicable Date, no repurchase of Shares has been made by the Company.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Town Health International Medical Group Limited (“**Company**”) will be held at 9:00 a.m. on Monday, 28 June 2021 at Room 2203, 22/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company, the report of the directors and the independent auditor’s report for the year ended 31 December 2020.
2. To re-elect the following retiring directors of the Company:
  - (a) Mr. Yu Xuezhong as an independent non-executive director of the Company;
  - (b) Mr. Kong Dechang as a non-executive director of the Company;
  - (c) Mr. Jin Zhaogen as an executive director of the Company;
  - (d) Ms. Zhao Xiangke as an executive director of the Company; and
  - (e) Dr. Xu Weiguo as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the directors’ remuneration.
4. To re-appoint Moore Stephens CPA Limited as the auditors of the Company and authorise the board of directors of the Company to fix their remuneration.

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## NOTICE OF ANNUAL GENERAL MEETING

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As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

### ORDINARY RESOLUTIONS

5. “**THAT:**

- (A) subject to paragraph (C) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue or otherwise deal with new ordinary shares in the share capital of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers after the end of the Relevant Period;
- (C) the number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to Shares issued as a result of a Rights Issue (as defined below), the exercise of the subscription or conversion rights attaching to any warrants issued by the Company or the exercise of options granted under any share option scheme of the Company or any scrip dividend providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares, shall not exceed the aggregate of:
  - (aa) 20 per cent. of the number of issued Shares as at the date of the passing of this resolution; and
  - (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares purchased or repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares as at the date of the passing of this resolution),

and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly;

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## NOTICE OF ANNUAL GENERAL MEETING

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(D) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (C) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (C) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and

(E) for the purposes of this resolution:

**“Relevant Period”** means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

**“Rights Issue”** means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the directors of the Company to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. “**THAT:**

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase or repurchase ordinary shares in the share capital of the Company (“**Shares**”), subject to and in accordance with all applicable laws and rules, on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (B) the number of Shares which may be purchased or repurchased by the Company or agreed to be purchased or repurchased by the Company pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (C) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (B) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (B) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and
- (D) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; and
  - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
7. “**THAT** conditional upon the passing of resolutions numbered 5 and 6 set out in the notice convening this meeting, the number of ordinary shares in the share capital of the Company (“**Shares**”) which is purchased or repurchased by the Company pursuant to the authority granted to the directors of the Company by resolution numbered 6 set out in the notice convening this meeting shall be added to the number of Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to resolution numbered 5 set out in the notice convening this meeting, provided that such Shares shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution.”

By order of the Board  
**Town Health International Medical Group Limited**  
**Jin Zhaogen**  
*Executive Director and Chief Executive Officer*

27 May 2021

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Head office and principal place  
of business in Hong Kong:*

6th Floor  
Town Health Technology Centre  
10-12 Yuen Shun Circuit  
Siu Lek Yuen  
Shatin, New Territories  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To ascertain the entitlement of the shareholders of the Company to attend and vote at the meeting convened by the above notice, the register of members of the Company will be closed from Wednesday, 23 June 2021 to Monday, 28 June 2021, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement to attend and vote at the meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. on Tuesday, 22 June 2021.
3. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof), must be deposited at the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 9:00 a.m. on Saturday, 26 June 2021 or not less than 48 hours before the time appointed for holding the adjourned meeting.
4. Completion and return of an instrument appointing a proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof and in such event the instrument appointing a proxy shall be deemed to be revoked.
5. As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, all the above resolutions will be decided by way of poll.
6. References to time and dates in this notice are to Hong Kong time and dates.