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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

A notice convening the annual general meeting of the Company to be held at 10 a.m. on Friday, 17 June 2016 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong is set out on pages 18 to 23 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 as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof to the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, 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.

29 April 2016

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DEFINITIONS

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 10 a.m. Friday, 17 June 2016 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong, the notice of which is set out on pages 18 to 23 of this circular
“Board”	the board of Directors
“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)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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 up to a maximum of 20% 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
“Latest Practicable Date”	25 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 7 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)
“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.

LETTER FROM THE BOARD



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:

Miss Choi Ka Yee, Crystal (*Chairperson*)
Dr. Cho Kwai Chee (*Executive Deputy Chairman*)
Dr. Hui Ka Wah, Ronnie, *JP* (*Chief Executive Officer*)
Dr. Ip Chun Heng, Wilson
Mr. Lee Chik Yuet
Mr. Wong Seung Ming (*Chief Financial Officer*)

Non-executive Directors:

Dr. Choi Chee Ming, *GBS, JP* (*Deputy Chairman*)
Ms. Fang Haiyan (*Deputy Chairperson*)
Mr. Tsai Ming-hsing (*Deputy Chairman*)
Mr. Chen Jinhao

Independent Non-executive Directors:

Mr. Ho Kwok Wah, George, *MH*
Mr. Wong Tat Tung, *MH, JP*
Mr. Yu Xuezhong
Ms. Li Mingqin
Mr. Wang John Hong-chiun

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
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

29 April 2016

To the Shareholders

Dear Sir or Madam,

**(1) RE-ELECTION OF RETIRING DIRECTORS
AND
(2) GRANT OF GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES**

INTRODUCTION

The Company will propose resolutions at the AGM to, among other matters, re-elect the Retiring Directors, grant to the Directors the Issue Mandate and the Repurchase 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 1 June 2015.

LETTER FROM THE BOARD

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 the code provision A.4.2 of Appendix 14 to the Listing Rules, Miss Choi Ka Yee, Crystal, Dr. Cho Kwai Chee, Dr. Hui Ka Wah, Ronnie, *JP*, Dr. Choi Chee Ming, *GBS, JP*, and Mr. Ho Kwok Wah, George, *MH* will retire by rotation at the AGM. Miss Choi Ka Yee, Crystal, Dr. Cho Kwai Chee, Dr. Hui Ka Wah, Ronnie, *JP*, Dr. Choi Chee Ming, *GBS, JP*, and Mr. Ho Kwok Wah, George, *MH*, being eligible, will offer themselves for re-election at the AGM.

In accordance with Bye-law 102(B) of the Bye-laws, Mr. Tsai Ming-hsing and Mr. Wang John Hong-chiun, each being appointed by the Board as an addition to the existing Board, will hold office until the AGM and they, 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.

ISSUE MANDATE AND REPURCHASE MANDATE

At the annual general meeting of the Company held on 1 June 2015, ordinary resolutions were passed to grant the general mandates to the Directors (i) to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 1 June 2015 and the nominal amount (up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at 1 June 2015) of any Shares repurchased by the Company; and (ii) to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at 1 June 2015.

These general mandates will expire at the conclusion of the AGM. Resolutions will be proposed at the AGM to grant the Issue Mandate and the Repurchase 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.

LETTER FROM THE BOARD

AGM

Notice convening the AGM is set out on pages 18 to 23 of this circular. At the AGM, resolutions will be proposed to consider and, if thought fit, to re-elect the Retiring Directors and to approve the grant of the Issue Mandate and the Repurchase Mandate.

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 as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, 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.

RECOMMENDATION

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

By order of the Board

Town Health International Medical Group Limited

Lee Chik Yuet

Executive Director

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) Miss Choi Ka Yee, Crystal (“Miss Choi”)

Miss Choi, aged 35, has been an executive Director and the Chairperson of the Company since May 2006 and October 2006 respectively. Miss Choi graduated from Boston College in the United States of America with a bachelor degree of science in Accountancy and Management Information System. She also holds a master degree in Corporate Finance from The Hong Kong Polytechnic University. Miss Choi has extensive knowledge in accounting and corporate finance. Miss Choi is a member of Shenzhen Committee and a member of Jieyang Committee of the Chinese People’s Political Consultative Conference, a member of the board of directors of The Hong Kong Polytechnic University Development Foundation, the vice president of Hong Kong CPPCC Youth Association, the chairperson of United We Stand Foundation Limited and a director of Health Check Charity Funds Limited. She is also a vice chairperson of Early Light International (Holdings) Limited and E. Lite Property Management Limited. Miss Choi joined the Company in April 2005 as the director of the corporate finance department. She is the daughter of Dr. Choi Chee Ming, *GBS, JP*, a non-executive Director and a Deputy Chairman of the Company and the holder of 49.90% beneficial interest in Broad Idea International Limited (a company which was interested in approximately 18.28% of the issued share capital of the Company as at the Latest Practicable Date).

Save as disclosed above, as at the Latest Practicable Date, Miss Choi (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 Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; (iii) did not hold any position with the Company or other members of the Group; and (iv) was not interested in any Shares within the meaning of Part XV of the SFO.

There is a letter of appointment between the Group and Miss Choi pursuant to which Miss Choi was appointed as an executive Director for a term commencing from 1 January 2015 to 31 December 2016, and she will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Pursuant to the employment contract entered into between the Company and Miss Choi (as amended and supplemented), Miss Choi was appointed as the Chairperson of the Company for a term commencing from 1 January 2015 to 31 December 2016 (both dates inclusive), and is entitled to (i) an emolument of HK\$65,210 per month which was determined by the Board with reference to her responsibilities, the Company’s remuneration policy and the prevailing market conditions; and (ii) a discretionary bonus which will be based on the financial results 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 Miss Choi that need to be brought to the attention of the Shareholders.

(b) Dr. Cho Kwai Chee (“Dr. Cho”)

Dr. Cho, aged 52, is the founder of the Group as well as an executive Director and the Executive Deputy Chairman of the Company. Dr. Cho founded the Group in December 1989 and is now responsible for formulating, overseeing and managing the business and development strategies of the Group. He is also a director of a number of subsidiaries of the Company. Dr. Cho graduated from The University of Hong Kong and holds the qualifications of MBBS (HK), FHKCFP, FRACGP, DCH (London), DCH (RCP&SI), DCH (Glasgow) and DPD (Cardiff). He is also the Vice Chairperson of the 36th term board of directors of Yan Oi Tong, the President of the Lions Club of Tsuen Wan (2015-2016), the director of Po Leung Kuk board of directors (2015-2016), the founder and Chairman of the Egive For You Charity Foundation Limited, the founder and Vice Chairman of United We Stand Foundation Limited, the founder and a director of Health Check Charity Funds Limited, the Vice Chairman of Sha Tin District Community Fund Limited, the District President of Scout Association of Hong Kong Yau Tsim District, the School Manager of IMC of Yan Oi Tong Tin Ka Ping Secondary School, the Vice President of the Association of Hong Kong Professionals, the Permanent President of Hong Kong Shatin Industries and Commerce Association Limited and the director of YOT Chong Sok Un Medical Fund (cancer aid).

Save as disclosed above, as at the Latest Practicable Date, (i) Dr. Cho 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) save that Dr. Cho and Dr. Choi Chee Ming, *GBS, JP*, a non-executive Director and a Deputy Chairman of the Company, own 50.10% and 49.90% beneficial interests in Broad Idea International Limited respectively, and that Broad Idea International Limited is a company which was interested in approximately 18.28% of the issued share capital of the Company as at the Latest Practicable Date, Dr. Cho did not have any relationship with any Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; and (iii) Dr. Cho did not hold any position with the Company or other members of the Group.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Dr. Cho was interested in 1,418,576,764 Shares, and 902,051,473 underlying Shares, both held by Broad Idea International Limited, a company which was owned as to 50.10% by Dr. Cho.

There is a letter of appointment between the Group and Dr. Cho pursuant to which Dr. Cho was appointed as an executive Director for a term commencing from 1 January 2015 to 31 December 2016, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Pursuant to the employment contract entered into between the Company and Dr. Cho, Dr. Cho was appointed as the Executive Deputy Chairman of the Company for a term commencing from 1 January 2016 to 31 December 2016 (both dates

inclusive), and is entitled to (i) an emolument of HK\$100,000 per month which was determined by the Board with reference to his responsibilities, the Company's remuneration policy and the prevailing market conditions; and (ii) a discretionary bonus which will be based on the financial results of the Company and his 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 Dr. Cho that need to be brought to the attention of the Shareholders.

(c) Dr. Hui Ka Wah, Ronnie, JP ("Dr. Hui")

Dr. Hui, aged 52, has been an executive Director since June 2014. Dr. Hui had been the Co-Chief Executive Officer of the Company and has become the Chief Executive Officer of the Company since July 2014. Dr. Hui is responsible for execution of the Board's development strategies and managing various business segments of the Group. Dr. Hui is also a director of a number of subsidiaries of the Company. Dr. Hui graduated from The University of Hong Kong with a bachelor of medicine degree and a bachelor of surgery degree. Dr. Hui is a specialist in Paediatrics. He is also a chartered financial analyst (CFA Charter Holder) and holds a degree in master of business administration conferred by Universitas 21 Global. Dr. Hui is a member of the Small and Medium Enterprises Committee of the Government of Hong Kong. Dr. Hui was also a member of the Energy Advisory Committee and a non-official member of the Women's Commission of the Government of Hong Kong. Dr. Hui had been an executive director of Convoy Financial Holdings Limited (formerly known as Convoy Financial Services Holdings Limited), whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1019), from 13 June 2014 to 26 March 2015. Dr. Hui had been the chief financial officer prior to 3 August 2011, an executive director from 3 August 2011 to 15 May 2014, the chief executive officer from 3 August 2011 to 4 March 2013, and the finance director from 4 March 2013 to 15 May 2014, of Hanergy Thin Film Power Group Limited (formerly known as Hanergy Solar Group Limited) ("**Hanergy**"), whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 566). He has also been the senior vice president of Hanergy since 4 March 2013. Dr. Hui had also been an independent non-executive director of Suncorp Technologies Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1063), from 22 November 2007 to 4 May 2012.

Save as disclosed above, as at the Latest Practicable Date, Dr. Hui (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 Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; (iii) did not hold any position with the Company or other members of the Group; and (iv) was not interested in any Shares within the meaning of Part XV of the SFO.

There is a letter of appointment between the Group and Dr. Hui pursuant to which Dr. Hui was appointed as an executive Director commencing from 3 June 2014, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Pursuant to the employment contract entered into between Dr. Hui and the Group (as amended and supplemented), Dr. Hui was appointed as the Chief Executive Officer of the Company for a term commencing from 1 January 2015 to 31 December 2016 (both dates inclusive), and Dr. Hui is entitled to (i) an emolument of HK\$379,500 per month which was determined by the Board with reference to his responsibilities, the Company's remuneration policy and the prevailing market conditions; and (ii) a discretionary bonus which will be based on the financial results of the Company and his 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 Dr. Hui that need to be brought to the attention of the Shareholders.

(d) Dr. Choi Chee Ming, GBS, JP ("Dr. Choi")

Dr. Choi, aged 70, has been a non-executive Director and a Deputy Chairman of the Company since February 2006. Dr. Choi holds a master degree in Business Administration from Newport University in the United States of America. He also holds a PhD in Business Management from Harbin Institute of Technology, the PRC and an Honorary Degree of Doctor of Business Administration from The Hong Kong Polytechnic University. Dr. Choi is the chairman of Early Light International (Holdings) Limited and E. Lite (Choi's) Holdings Limited and has extensive business interests in the manufacturing industry and the property sector. He is the honorary president of the Toys Manufacturer's Association of Hong Kong, honorary president of the Hong Kong Young Industrialists Council and a court member of The Hong Kong Polytechnic University. He is currently a non-executive director and vice-chairman of Regal Hotels International Holdings Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 78).

Save as disclosed above, as at the Latest Practicable Date, (i) Dr. Choi 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) save that (a) Dr. Cho, an executive Director, and Dr. Choi own 50.10% and 49.90% beneficial interests in Broad Idea International Limited respectively, and that Broad Idea International Limited is a company which was interested in approximately 18.28% of the issued share capital of the Company as at the Latest Practicable Date; and (b) Dr. Choi being the father of Miss Choi, an executive Director and the Chairperson of the Company, Dr. Choi did not have any relationship with any Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; and (iii) Dr. Choi did not hold any position with the Company or other members of the Group.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Dr. Choi was interested in 1,418,576,764 Shares, and 902,051,473 underlying Shares, both held by Broad Idea International Limited, a company which was owned as to 49.90% by Dr. Choi.

There is a letter of appointment between the Group and Dr. Choi pursuant to which Dr. Choi was appointed as a non-executive Director for a term commencing from 1 January 2015 to 31 December 2016, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Pursuant to the letter of appointment, Dr. Choi is not entitled to any remuneration from the Company in his capacity as a non-executive Director and a Deputy 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 Dr. Choi that need to be brought to the attention of the Shareholders.

(e) Mr. Ho Kwok Wah, George, MH (“Mr. Ho”)

Mr. Ho, aged 57, has been an independent non-executive Director since September 2004. Mr. Ho is a Practising Certified Public Accountant in Hong Kong. He is the proprietor of George K. W. Ho & Co., Certified Public Accountants and possesses over 20 years’ professional experience in accounting, auditing, tax planning and business advisory. Mr. Ho is a director of Hong Kong Shatin Industries and Commerce Association Limited and Hong Kong Commerce and Industry Associations Limited. He is also an independent non-executive director of Belle International Holdings Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1880), Rykadan Capital Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 2288) and PuraPharm Corporation Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1498). Mr. Ho is also the Chairman of the audit committee and the remuneration committee of the Board and a member of the nomination committee of the Board.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ho (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 Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; (iii) did not hold any position with the Company or other members of the Group; and (iv) was not interested in any Shares within the meaning of Part XV of the SFO.

There is a letter of appointment between the Company and Mr. Ho pursuant to which Mr. Ho was appointed as an independent non-executive Director for a term commencing from 31 May 2014 to 31 December 2016, and he will be subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Bye-Laws. Pursuant to the letter of appointment entered into between the Company and Mr. Ho, Mr. Ho is entitled to an annual emolument of HK\$120,000 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. Ho that need to be brought to the attention of the Shareholders.

(f) Mr. Tsai Ming-hsing (“Mr. Tsai”)

Mr. Tsai, aged 58, has been appointed as a non-executive Director and a Deputy Chairman of the Company since September 2015. Mr. Tsai obtained his Bachelor of Business Administration degree from the School of Law of National Taiwan University in 1979 and his Master of Business Administration degree from the Graduate School of Business Administration of New York University in 1981. From October 2012 to October 2014, Mr. Tsai was the chairman of the Taiwan Telecommunication Industry Development Association. Since June 2014, Mr. Tsai has been appointed as the vice chairman of the Chinese Taipei Basketball Association for a term of four years. Mr. Tsai is also a member of the China Finance 40 Forum Executive Council and a member of the China Finance 40 Forum Council.

Since July 2004, Mr. Tsai has been appointed as the vice chairman of Fubon Financial Holding Co., Ltd. (“**Fubon Holding**”, together with its subsidiaries, the “**Fubon Group**”), one of the largest listed financial holding companies in Taiwan. Mr. Tsai has been appointed as a director and the chairman of Fubon Bank (Hong Kong) Limited since February 2004. Mr. Tsai was the chairman of Fubon Securities Co., Ltd. from September 1988 to May 1992 and the chairman of Fubon Life Insurance Co., Ltd. from July 1993 to June 2011.

Mr. Tsai has been with the Fubon Group since 1983. During the past 32 years, Mr. Tsai has been managing a wide range of financial and insurance businesses of the Fubon Group.

Mr. Tsai is currently the chairman of Taiwan Fixed Network Co., Ltd. and he has also been the chairman of Taiwan Mobile Co., Ltd. since June 2014. Both companies are telecommunications service providers in Taiwan.

In 2011, Mr. Tsai was awarded the “Asia Innovator of the Year Award” of the 10th CNBC Asia Business Leaders Awards to cite his achievement and he was the sole awardee from Taiwan in that year.

Save as disclosed above, as at the Latest Practicable Date, Mr. Tsai (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 Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; (iii) did not hold any position with the Company or other members of the Group; and (iv) was not interested in any Shares within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment entered into between Mr. Tsai and the Company, Mr. Tsai has been appointed as a non-executive Director for a period from 2 September 2015 to 31 December 2016, subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. In accordance with such letter of appointment, Mr. Tsai is not entitled to any director’s fee.

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. Tsai that need to be brought to the attention of the Shareholders.

(g) Mr. Wang John Hong-chiun (“Mr. Wang”)

Mr. Wang, aged 50, has been appointed as an independent non-executive Director since September 2015. Mr. Wang graduated from the University of California at Berkeley in 1988 with a Bachelor of Arts degree with a major in Economics. In 1996, Mr. Wang obtained his Master of Management degree from the J.L. Kellogg Graduate School of Management at Northwestern University.

Mr. Wang had been an executive director in the Investment Management Division of Goldman Sachs (Asia) L.L.C. in Hong Kong and was employed by such company and one of its affiliates from August 1996 to December 2010. Mr. Wang worked at Citi Private Bank of Citigroup Inc. from December 2010 to February 2012, during which he held the positions of managing director and global market manager.

Since March 2012, Mr. Wang has been a director of W.T.T. Investment Limited. Mr. Wang is also the president of 忠興開發股份有限公司 (in English for identification only, Zhongxing Kaifa Co., Ltd.), which is an affiliate of the Tsai’s family of Fubon Financial Holding Co., Ltd.. He is a member of the audit committee of the Board.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wang (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 Director, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; (iii) did not hold any position with the Company or other members of the Group; and (iv) was not interested in any Shares within the meaning of Part XV of the SFO.

Pursuant to the letter of appointment entered into between Mr. Wang and the Company, Mr. Wang has been appointed as an independent non-executive Director for a period from 2 September 2015 to 31 December 2016, subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. In accordance with such letter of appointment, Mr. Wang is entitled to a monthly director's fee of HK\$10,000, which was determined with reference to his responsibilities, the Company's remuneration policy and the prevailing market conditions.

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. Wang that need to be brought to the attention of the Shareholders.

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 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 7,761,298,452 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 776,129,845 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. Bermuda law provides 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.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as 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 2015, 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

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months and the period from 1 April 2016 to the Latest Practicable Date were as follows:

		Per Share	
		Highest	Lowest
		<i>HK\$</i>	<i>HK\$</i>
2015	April	2.81	2.25
	May	2.80	2.29
	June	2.40	1.96
	July	2.20	1.61
	August	2.12	1.53
	September	1.76	1.56
	October	1.78	1.58
	November	1.68	1.55
	December	1.88	1.53
2016	January	1.64	1.38
	February	1.69	1.40
	March	1.80	1.45
	April (up to the Latest Practicable Date)	1.55	1.39

(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, and 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.

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 International Limited, a substantial Shareholder holding 1,418,576,764 Shares, representing approximately 18.28% of the total Shares in issue as at the Latest Practicable Date; and (ii) the shareholding of China Life Insurance (Group) Company, a substantial Shareholder holding 1,785,098,644 Shares, representing approximately 23.00% of the total Shares in issue as at the Latest Practicable Date, remains the same and there is no change in the total Shares in issue, the shareholding of Broad Idea International Limited would be increased to approximately 20.31% of the reduced total Shares in issue and the shareholding of China Life Insurance (Group) Company would be increased to approximately 25.56% of the reduced total Shares in issue. Such increases would not give rise to an obligation of 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 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.

NOTICE OF ANNUAL GENERAL MEETING



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 10 a.m. on Friday, 17 June 2016 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong for the following purposes:

1. To receive and consider 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 2015.
2. To declare a final dividend of HK0.98 cent per ordinary share for the year ended 31 December 2015.
3. To re-elect the following retiring directors of the Company:
 - (a) Miss Choi Ka Yee, Crystal as an executive director of the Company;
 - (b) Dr. Cho Kwai Chee as an executive director of the Company;
 - (c) Dr. Hui Ka Wah, Ronnie, *JP* as an executive director of the Company;
 - (d) Dr. Choi Chee Ming, *GBS, JP* as a non-executive director of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (e) Mr. Ho Kwok Wah, George, *MH* as an independent non-executive director of the Company;
 - (f) Mr. Tsai Ming-hsing as a non-executive director of the Company; and
 - (g) Mr. Wang John Hong-chiun as an independent non-executive director of the Company.
- 4. To authorise the board of directors of the Company to fix the directors' remuneration.
 - 5. To re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and authorise the board of directors of the Company to fix their remuneration.

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

ORDINARY RESOLUTIONS

- 6. **“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;

NOTICE OF ANNUAL GENERAL MEETING

(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% 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 by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% 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;

(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 date 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

NOTICE OF ANNUAL GENERAL MEETING

- (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).”

7. “**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**”) on, 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% 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 date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

- (D) 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.”
8. “**THAT** conditional upon the passing of resolutions nos. 6 and 7 set out in the notice convening this meeting, the number of Shares which is purchased or repurchased by the Company pursuant to the authority granted to the directors of the Company by resolution no. 7 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 no. 6 set out in the notice convening this meeting, provided that such shares shall not exceed 10% 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
Lee Chik Yuet
Executive Director

Hong Kong, 29 April 2016

Registered Office:
Canon’s Court
22 Victoria Street
Hamilton HM 12
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

NOTICE OF ANNUAL GENERAL MEETING

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 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 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 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
3. 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.
4. 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.