

【 For immediate release 】

Town Health International Medical Group Limited
(Stock Code: 3886.HK)

Town Health Achieved Turnaround from Loss to Profit in 2025 Interim Results
Profit Attributable to Shareholders Up 126.7% To Approx. HK\$12.7M

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Recorded Operating Profit of Approx. HK\$38.9M & Operating Profit Attributable to Shareholders of Approx. HK\$16.1M with respect to its Business Operations

Financial Highlights (HK\$'000)	Six months ended 30 June (Unaudited)		
	2025	2024	Changes
Revenue	900,923	914,280	-1.5%
Gross Profit	230,179	249,553	-7.8%
Profit (Loss)	35,593	(28,542)	+224.7%
Profit (Loss) Attributable to Shareholders	12,727	(47,676)	+126.7%
Earnings (Loss) per Share - Basic and Diluted	HK0.19 cent	HK(0.70) cent	+127.1%

(Hong Kong, 29 August, 2025) **Town Health International Medical Group Limited** (“Town Health” or the “Company”, together with its subsidiaries, collectively the “Group”; Stock Code: 3886.HK) is pleased to announce its unaudited interim results for the six months ended 30 June 2025 (the “Period under review”).

In the first half of 2025, the macroeconomic and geopolitical environment was fraught with challenges. The competitive advantages of the Group’s abundant medical resources and a large customer base helped us to withstand the adverse impacts of the operating environment. The Group has taken decisive cost control measures, including the elimination of unnecessary procedures, the simplification of organisational structure and the optimisation of workforce. These initiatives are aimed at improving operational effectiveness and efficiency, thereby enhancing overall competitiveness.

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Despite the severe operating environment in the first half of 2025, there was no material adverse change in the Group's operating performance. During the Period under review, the Group achieved turnaround from loss to profit, and recorded an unaudited profit of approximately HK\$35.6 million (2024: loss of approximately HK\$28.5 million), including an unaudited profit attributable to shareholders of approximately HK\$12.7 million (2024: loss of approximately HK\$47.7 million). If the "other gains and losses, net", which comprise the gains and losses incurred outside the Group's ordinary course of business, as shown in the condensed consolidated statement of profit or loss are excluded, the Group would have recorded an unaudited operating profit of approximately HK\$38.9 million, including an unaudited operating profit attributable to shareholders of approximately HK\$16.1 million with respect to its business operations for the Period under review. The Group is committed to the ongoing enhancement of its operational efficiency, particularly to meet the growing demand for value-for-money medical services. The Group demonstrated operational resilience and adaptability.

During the Period under review, the Group's liquidity position was well-managed and the Group's financial resources were sufficient to support its business operations. As at 30 June 2025, the Group had net assets of approximately HK\$3,436.9 million, including net current assets of approximately HK\$1,306.1 million. The Group had a current ratio (defined as total current assets divided by total current liabilities) of 3.19 and a gearing ratio (defined as total bank borrowings divided by equity attributable to owners of the Company) of 0.38% as at 30 June 2025.

Town Health said: "The medical services business in Hong Kong constitutes a crucial cornerstone for the Group's sustainable development. Driven by the demand of value-for-money medical services, the Group is dedicated to optimising the layout of its medical centre chain in Hong Kong. On one hand, the Group has closed underperforming medical centres. On the other hand, the Group aims to establish integrated medical centres with multiple consultation rooms in populous residential communities, providing one-stop medical services. During the Period under review, a new medical centre operating under this business model was opened at Infinity Eight, which is connected to Exit A3 of Choi Hung MTR station. The Group is committed to offering value-for-money medical services and aims to ease the financial burden of healthcare on the public through reasonable service pricing, making private medical services more affordable and accessible. Meanwhile, the application of smart medical technologies is advancing rapidly, and telemedicine has become an inevitable trend. Seizing this opportunity, the Group launched the "General Practice Video Consultation Service" during the Period under review, providing greater convenience for the public in accessing medical consultations."

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Medical Services in Hong Kong: Established New Medical Centres & Launched “General Practice Video Consultation Service”

In the first half of 2025, the revenue from the Group’s medical services in Hong Kong was approximately HK\$377.5 million, accounting for approximately 41.9% of the Group’s revenue for the Period under review.

In respect of general practice services, the Group’s general practice medical centres, located in densely populated communities, provide consultation, health check and chronic disease management services to cater for the primary healthcare needs of nearby residents and workers. During the Period under review, the Group’s medical centres of general practice services continued to participate in a number of government-funded or public-private partnership programmes for primary healthcare. In July 2025, the Group established a “Town Health Medical Centre” at Infinity Eight, 8 Clear Water Bay Road, Choi Hung, providing general practice medical services, which further enhanced the Group’s medical service network in Kowloon East. Furthermore, in June 2025, the Group launched the “General Practice Video Consultation Service” which allows customers in Hong Kong to receive professional medical diagnosis from general practitioners via video calls without visiting a medical centre in person. Medications can also be delivered free of charge to designated addresses on the same day (excluding outlying islands and remote areas), enabling the convenience of “medical consultation at home”.

In respect of specialist services, the Group has a team of specialists with outstanding reputation in their respective specialties and has established multiple specialty brands. Its flagship brands include “Hong Kong Medical Consultants”, “Hong Kong Cardiac Centre” and “Hong Kong Traumatology & Orthopaedics Institute”, among others. The Group supports the establishment of new medical centres under its specialty brands in densely populated communities. In particular, the cardiology brand “Hong Kong Cardiac Centre” has set up a medical centre in Tuen Mun Parklane Square to provide comprehensive cardiac specialist consultation services and examination services for residents in New Territories West since the first quarter of 2025.

In respect of dental services, the Group pays close attention to the changes in the local dental services market, flexibly adjusts its business strategy. The Group’s self-operated dental centres have participated in Phase II of the Pilot Scheme on Dental Services (Dental Scaling) for Civil Service Eligible Persons and continue to provide dental scaling services to civil servants from 1 February 2025 to 31 July 2026. In addition, in the first half of 2025, the Group’s self-operated dental centres joined the Primary Dental Co-care Pilot Scheme for Adolescents. Eligible adolescents can receive subsidised dental services once a year.

In the future, the Group will make good use of its abundant medical resources and continue to support the Hong Kong Government’s Primary Healthcare Blueprint. The Group will strengthen its partnership and business cooperation with the Hong Kong Government by participating in more government-funded and public-private partnership programmes for primary healthcare. Meanwhile, the Group plans to establish more integrated medical centres with multiple consultation rooms in populous residential communities to provide value-for-money medical services. The Group will seek to strengthen mutually beneficial synergies with its premier integrated specialty brand, “Hong Kong Medical Consultants”, to further improve the two-way referral mechanism between the general practice services and specialist services. The Group will also continue to invite outstanding doctors, allied health professionals and nurses to join the team to promote the professional development of the healthcare team and inject new momentum into healthcare services. The Group aims to proactively expand service scope, develop smart healthcare, increase market coverage, and enhance brand influence to drive the long-term and steady growth of this core business.

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Managed Medical Network in Hong Kong – Vio: Hong Kong’s Only Medical Network with Double ISO Certifications in Quality Management and Information Security Management

In the first half of 2025, the revenue from the Group’s managed medical network business in Hong Kong was approximately HK\$233.2 million, accounting for approximately 25.9% of the Group’s revenue for the Period under review.

Dr. Vio & Partners Ltd. (Vio) operates the managed medical network business of the Group in Hong Kong. With 77 years of rich experience and over 600 affiliated service providers, Vio has developed into a large multidisciplinary medical network. As the first and only medical network in Hong Kong with both ISO 9001:2015 Quality Management System and ISO 27001:2022 Information Security Management System certifications, Vio demonstrates its commitment to quality service and data security protection capabilities. Vio’s core competitive advantages are its seasoned management team, loyal client base, and many inherent synergies with the Group’s self-operated medical centres. Despite economic uncertainties, cross-border consumption of residents, rising costs, and other challenges, Vio continued to make investments in upgrading its IT systems (e.g., web-CMS clinic management system) and streamlining operations to deliver efficient and environmentally friendly medical scheme management services for blue chip corporations, insurers, government departments and public institutions.

Looking ahead, Vio will fully leverage its competitive advantage as Hong Kong’s only medical network with double ISO certifications in Quality Management and Information Security Management, to further develop long-term cooperation with blue chip corporations, insurers, government departments and public institutions. To comply with the new ISO 9001:2026 requirements, Vio will further optimise service processes, enhance environmental efficiency and customer satisfaction. Meanwhile, Vio plans to deepen cooperation with the Group’s self-operated medical centres to strengthen market coverage and operational efficiency.

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Hospital Management in Mainland China: Launched DeepSeek+ Locally Deployed AI Clinical Triage and Consultation Platform

Nanyang Xiangrui, a subsidiary of the Company, is mainly engaged in hospital management business in the Mainland China. During the Period under review, Nanyang Xiangrui continued to provide professional hospital management services to Nanshi Hospital, a national Grade III Level A hospital. Its operation model of “general hospital + branches” has proven to be effective.

Nanshi Hospital established the internet hospital of Nanshi Hospital as the first registered internet hospital in Nanyang City after obtaining the licence for internet hospital issued by the Health Commission of Nanyang City in March 2022. The internet hospital of Nanshi Hospital has recorded over 1,500,000 visits since it was put into service from March 2022 to June 2025. At the same time, the comprehensive management platform of Nanshi Hospital has started the “AI + Pre-diagnosis Assessment System” trial since February 2025, forming a complete medical treatment process of “pre-diagnosis assessment (questionnaire) – AI examination suggestions – doctor’s diagnosis – automatic retrieval of examination results – AI diagnosis and treatment suggestions – doctor’s treatment programme” which allows the utilisation of knowledge base and data sharing. It has transformed the previous experience-based examination and medication by doctors into a new model of “experience-based clinical practice + intelligent analysis”. Since the implementation of the trial, it has been highly praised by patients.

Nanyang Xiangrui has always supported Nanshi Hospital to realise its strategic vision of becoming a regional comprehensive medical and rehabilitation centre. At present, Nanshi Hospital has one national key clinical specialty (burn and plastic surgery) and five provincial key specialties (burn and plastic surgery, neurology, rehabilitation medicine, spine and oncology). The Gamma Knife of Nanshi Hospital has also successfully passed the on-site acceptance by the expert team of the Health Commission of Henan Province. As a revolutionary technology in the field of tumor treatment, Gamma Knife precisely focuses gamma rays on tumor lesions. Not only has the Gamma Knife at Nanshi Hospital filled the gap in advanced radiotherapy in the southwest region of Henan Province, it has also enabled cancer patients in Nanyang City to receive non-invasive treatment “without surgery or bleeding” at their doorstep. Notably, in March 2025, the Health Commission of Nanyang City approved the establishment of the “Nanyang Burn Medical Quality Control Centre” at Nanshi Hospital. This is the first municipal-level medical quality control centre of Nanshi Hospital, fully demonstrating the comprehensive strength of the hospital’s burn department.

Looking forward, private hospitals must rely on differentiated competition, strengthen refined management, and drive development through innovation, to achieve high-quality and sustainable growth in the digital era. Nanyang Xiangrui will conduct an in-depth analysis of the opportunities and challenges currently faced by private hospitals, and propose practical cost-reduction and efficiency-enhancement strategies to Nanshi Hospital from multiple dimensions such as technological innovation, management optimisation, cost control and service upgrade.

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Health Management in Mainland China: Creates Differentiated Health Check Product Portfolios and Innovative Service Models

In the first half of 2025, the Group's health management institutions in Guangzhou City and Shenzhen City in Guangdong Province and Jinan City in Shandong Province operated steadily.

In Guangdong Province, Guangzhou Integrated Clinic continued its strategic cooperation with nearby hospitals and reproductive medicine centres to provide peripheral supporting services for assisted reproductive services and life cycle healthcare services for female. Meanwhile, Guangzhou Integrated Clinic proactively introduced whole life cycle health management programmes such as traditional Chinese medicine, rehabilitation, and chronic disease management, and successfully built a comprehensive healthcare service platform. Its scope of services included distinctive specialist diagnosis and treatment, digital healthcare monitoring, and pharmacy. Ganghe Clinic in Shenzhen City continued to leverage its geographical advantages in the Guangdong-Hong Kong-Macao Greater Bay Area to promote the implementation of cross-border medical linkage and cooperation projects. Meanwhile, it continued to provide characterised services, such as weight management and digestive health management, etc. for the insurers and individual customers.

In Shandong Province, the Town Health International Health Management Centre primarily serves two core customer groups: Shandong branch of China Life Insurance Company Limited and its prefecture-level city branches, and regional corporate clients, providing their employees and customers with comprehensive health management services focusing on high-end health check. In addition to health check services, the Town Health International Health Management Centre joined hands with quality medical institutions in the province and invited renowned experts to provide customers with diversified health management services, including color Doppler ultrasound examination, video consultation, dental care treatment, traditional Chinese medicine healthcare and treatment, and chronic disease management.

Looking towards the future, the Group will continue to deepen the construction of the health management service system, and by creating differentiated health check product portfolios and innovative service models, accurately meet the diversified health needs of the market. We will further strengthen the resource integration and business collaboration between health management institutions in various regions and strategic partners, focus on promoting the construction of the "insurance + healthcare" service ecosystem, and continuously improve operational efficiency and market competitiveness to lay a foundation for the sustainable growth of business.

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Aesthetic Medical & Beauty and Wellness – TBMG: To Enhance the Efficiency of Individual Centre through Strategic Restructuring of its Centre Network

In the first half of 2025, TBMG, which was engaged in aesthetic medical and beauty and wellness, maintained a stable team size with 14 full-time or part-time doctors. During the Period under review, TBMG operated 11, 8, 8 and 3 centres in Hong Kong, Shenzhen, Shanghai and Guangzhou, respectively. Against the backdrop of the continuing upsurge in Hong Kong residents' consumption in the Mainland China and the rising wave of consumption downgrade in the Mainland China, the competition in the beauty service industry has intensified significantly. In such a challenging operating environment, TBMG has promoted the sustainable development of its business by optimising resource allocation, effectively reducing costs and improving operational efficiency.

Moving forward, TBMG will enhance the efficiency of individual centre through strategic restructuring of its centre network. In the second half of 2025, TBMG will select a location in the New Territories of Hong Kong to build a new conceptual centre, and introduce internationally leading aesthetic medical equipment and technologies, striving to improve customers' service experience. TBMG will also continue to invest resources in upgrading its customer relationship management system, and make good use of big data to enhance customer satisfaction and retention rate, promote customer conversion between beauty and wellness and aesthetic medical, and further expand its high-quality customer base. TBMG will also evaluate high-quality acquisition targets in Hong Kong and the Mainland China, expand the ecosystem of strategic partners, and explore opportunities for cross-border business collaboration. TBMG aims to continuously enhance its market competitiveness and profitability through a strategy that combines endogenous growth and exogenous expansion.

Town Health concluded: "Looking ahead, the Group will align with market trends and leverage the synergistic advantages of its businesses in Hong Kong and the Mainland China. In Hong Kong, the Group will strengthen the layout of primary healthcare and the complementarity of specialty brands, and empower managed medical network through technology. In the Mainland China, the Group will focus on improving hospital operation efficiency and enhancing characteristic health management to seize opportunities of benefits arising from policies. Cross-border living and consumption within the Guangdong-Hong Kong-Macao Greater Bay Area are increasingly becoming the norm. The Group supports Hong Kong residents in accessing health check and medical services in the Guangdong-Hong Kong-Macao Greater Bay Area, and provides comprehensive concierge services for residents from the Mainland China seeking medical treatment in Hong Kong. In July 2025, the Group and the Hong Kong branch of China Life Insurance (Overseas) Company Limited signed a cooperation agreement, pursuant to which the Group became a partner of "ENRICH", a one-stop health management brand. The Group is ready to integrate its existing healthcare resources across various business segments in Hong Kong and the Mainland China. To meet the health needs of more than 86 million residents in the Guangdong-Hong Kong-Macao Greater Bay Area, it will connect its medical centre chain, medical imaging and diagnostic centres, health management centres, hospitals and internet hospital to build a full-cycle, integrated and one-stop healthcare service ecosystem."

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About Town Health International Medical Group Limited (Stock Code: 3886.HK)

Town Health International Medical Group Limited is one of the largest listed healthcare groups with the longest history in Hong Kong and it is one of the few local comprehensive medical institutions that provides healthcare services in both Hong Kong and the Mainland China. The Group boasts high-quality medical resources and a strong professional medical team. Its business segments include:

- (i) The provision of medical services in Hong Kong;
- (ii) The provision of medical network management business in Hong Kong;
- (iii) The provision of hospital management and health management businesses in the Mainland China; and
- (iv) The provision of aesthetic medical and beauty and wellness services in Hong Kong and the Mainland China.

The Group is committed to become an international first-class medical group rooted in Hong Kong, covering Greater Bay Area and serving the whole country, and is dedicated to build healthier life and a better tomorrow.

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