



China HealthCare Holdings Limited
(中國衛生控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock code: 673)

**RESIGNATION OF DIRECTOR
AND
APPOINTMENT OF DIRECTOR**

The board of directors (the “Board”) of China HealthCare Holdings Limited (the “Company”) announces that Mr. Li Xiao Ru has resigned as an independent non-executive director of the Company with effect from 29 August, 2006 and the Board has appointed Dr. Yan Shi Yun as an independent non-executive director of the Company with effect from 29 August, 2006.

The Board announces that Mr. Li Xiao Ru has resigned as an independent non-executive director of the Company with effect from 29 August, 2006 due to his personal reasons. Mr. Li has confirmed that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders of the Company or the Stock Exchange of Hong Kong Limited in relation to his resignation.

The Board would like to take this opportunity to express its appreciation for the valuable contributions of Mr. Li to the Company.

The Board is pleased to announce that the Board has appointed Dr. Yan Shi Yun as an Independent non-executive director of the Company with effect from 29 August, 2006.

Dr. Yan Shi Yun (嚴世芸), age 66, was the former president of Shanghai University of TCM (上海中醫藥大學). Dr. Yan is a professor at Shanghai University of TCM for over 20 years. He is the president of Shanghai Academy of Chinese Medicine Sciences (上海市中醫藥研究院).

There is no service contract entered into between the Company and Dr. Yan. Dr. Yan has not been appointed for any specified term and will be entitled to a director’s fee to be decided by the remuneration committee of the Company. Dr. Yan will be subject to retirement and re-election at the next annual general meeting of the Company (thereafter retirement by rotation) pursuant to the bye-laws of the Company. As at the date of this announcement, Dr. Yan has no interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Dr. Yan does not hold any other positions with the Company or other members of the Company’s group and is not connected with any directors, senior management or substantial and controlling shareholders of the Company. Dr. Yan did not hold any directorship in any listed public companies in the last three years.

Save as disclosed, the Board is not aware of any other matter that is considered necessary to be brought to the attention of holders of the securities of the Company regarding the appointment of Dr. Yan.

The Board takes this opportunity to extend its warmest welcome to Dr. Yan on joining the Board.

By order of the Board
Dr. Ni Aimin
Executive Director

Hong Kong, 29 August, 2006

As at the date of this announcement, the board of directors of the Company comprises Dr. Li Zhong Yuan, Mr. Lee Jong Dae, Dr. Ni Aimin, Mr. Deng Ku Hon, all of whom are executive directors; Mr. Martin Treffer who is non-executive director; and Dr. Ma Yin Ming, Mr. Mu Xiang Ming and Dr. Yan Shi Yun, all of whom are independent non-executive directors.

** for identification purpose only*

Please also refer to the published version of this announcement in The Standard.