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

(Incorporated in Bermuda with limited liability)

(Stock Code: 673)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of China HealthCare Holdings Limited (the “Company”) will be held at 10:00 a.m. on 10 March 2011 at 5/F., Building 88, 1199 North Qin Zhou Road, Caohejing Hi-Tech Park, Xuhui District, Shanghai, China for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company:

ORDINARY RESOLUTIONS

“THAT

1. (a) the sale and purchase agreement dated 19 August 2010 (as amended and supplemented by the supplemental agreements dated 29 December 2010 and 17 February 2011) (the “Agreement”) (copies of which marked “A” have been produced to the meeting and signed by the Chairman of the meeting for the purpose of identification) entered into between Wingames Investments Limited (the “Purchaser”), Mascot Land Limited (the “Procurer”), China Zhongfu Industry Co., Ltd., Shanghai Zhongfu International Trading Co., Ltd., Anhui Anhe Investment Consulting Co., Ltd., Mr. Wang Ji Sheng and Mr. Ge Qian Song (collectively, the “Guarantors”) and the Company in relation to the acquisition of (i) the entire registered capital of a limited liability company to be established under the laws of the PRC after the reorganization; (ii) the entire equity interest in Shanghai Fu Shou Yuan Consulting & Management Co., Ltd.; (iii) the 10% equity interest in Chongqing Anle Services Co., Ltd.; (iv) the 80% equity interest in Chongqing Anle Funeral Service Co. Ltd.; and (v) the 10% equity interest in Shandong Fu Shou Yuan Development Co., Ltd. by the Purchaser at a total consideration of HK\$3,360 million (the “Acquisition”), details of which are set out in the circular of the Company dated 23 February 2011 (the “Circular”) to the shareholders, and all transactions contemplated thereunder be and are hereby approved, ratified and confirmed; and

- (b) the directors of the Company be and are hereby authorized to issue the convertible notes of a principal amount of RMB2,858 million (equivalent to HK\$3,316 million) (the “Convertible Notes”), as part of the consideration of the Acquisition pursuant to the Agreement and to allot and issue the new shares upon the exercise of the conversion rights attaching to the Convertible Notes and to do all such acts and things and execute such further documents and take all steps which, in their opinion may be necessary, desirable, or expedient to implement and give effect to the terms of, and all transactions contemplated under, the Agreement for and on behalf of the Company and to approve any change and amendment thereto as they may consider necessary, desirable or expedient; and
2. the authorized share capital of the Company be and is hereby increased from HK\$500,000,000 to HK\$10,000,000,000 by the creation of additional 95,000,000,000 shares of HK\$0.1 each in the share capital of the Company.”

By order of the Board
China HealthCare Holdings Limited
Zhou Bao Yi
Executive Director

Hong Kong, 23 February 2011

Principal Place of Business in Hong Kong:
Unit C, 19/F., Entertainment Building
30 Queen’s Road Central, Hong Kong.

Notes:

1. A member entitled to attend and vote at the special general meeting is entitled to appoint one or more proxies to attend and vote instead of him/her in the special general meeting. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the special general meeting or any adjourned meeting thereof should he/she so wishes.
3. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
4. As at the date of this notice, the executive directors of the Company were Dr. Li Zhong Yuan and Mr. Zhou Bao Yi; the non-executive director of the Company was Mr. Martin Treffer; and the independent non-executive directors of the Company were Mr. Mu Xiangming, Mr. Jiang Bo and Dr. Yan Shi Yun.

* *For identification purpose only*