

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 673)

**(1) SUSPENSION OF DUTIES AND AUTHORITIES OF MR CHUNG HO, AN
EXECUTIVE DIRECTOR;
(2) ACTUAL AND FURTHER LEGAL PROCEEDINGS AGAINST
MR CHUNG HO; AND
(3) RESUMPTION OF TRADING**

This announcement is made by China HealthCare Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”), pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “**SFO**”, Chapter 571 of the Laws of Hong Kong).

Reference is made to:

- (i) the announcement of the Company dated 14 January 2016 in relation to the trading halt in the shares in the Company pending the release of an announcement relating to an inside information of the Company;
- (ii) the announcement of the Company dated 11 December 2015 in relation to, among other matters, the Company’s legal proceedings against Mr Chung Ho (“**Chung**”) for breach of director’s fiduciary duties and against Zheng Hua Investment Limited and Pacas Worldwide Limited in relation to the subscription agreements (the “**CN Subscription Agreements**”) dated 8 April 2014 purportedly entered into with the Company and the subsequent for purported issue of convertible notes (the “**Convertible Notes**”) by the Company; and
- (iii) the announcement of the Company dated 21 September 2015 (the “**Tianjin Announcement**”) in relation to, among other matters, the agreement (the “**Tianjin Agreement**”) dated 20 September 2015 purportedly entered into among the Company, 天津市天主教愛國會 (Tianjin Catholic

* *For identification purpose only*

Patriotic Association*) (“**TCPA**”) and 天津益瑞康科技發展有限公司 (Tianjin Yi Rui Kang Technology Development Co., Ltd.*) ostensibly for the provision of a loan in an aggregate principal amount of RMB100,000,000 by the Company to 天津聖佑醫院有限公司 (Tianjin Sheng You Hospital Co., Ltd.*) (“**Sheng You Hospital**”) and the grant of the operating right of Sheng You Hospital to the Company.

Upon investigation and based on the facts currently known to the Company as at the date of this announcement, the board of directors of the Company wishes to announce the following:

1. in the Tianjin Announcement, which was issued on the instructions of Mr Chung, it was stated that the Tianjin Agreement had been entered by the parties thereto on 20 September 2015; however, the Tianjin Agreement, which was negotiated by Mr. Chung Ho and represented by him as having been signed by all parties named therein appears not to have been executed by TCPA;
2. approval of the CN Subscription Agreements in consequence of the Tianjin Agreement, the issue of the Convertible Notes, and the grant by the Stock Exchange of listing approval of shares of the Company falling to be issued upon the exercise of conversion rights attached to the purported Convertible Notes were all procured under false pretences, and the Tianjin Announcement was a false announcement;
3. the Company reported the above matters to the Hong Kong Police on 13 January 2016. The Hong Kong Police had accepted the criminal complaint, a case number has been assigned to the case and the matters complained of will be investigated by the Hong Kong Police;
4. the Company has suspended all the duties and authorities of Mr. Chung with effect from 14 January 2016, in light of Mr. Chung’s direct involvement in the above matters; and
5. the Company intends to initiate civil proceedings against Mr. Chung in relation to the above matters.

Save for the possible repayment of the gross subscription moneys paid of HK\$225 million under the Subscription Agreements, the Company considers that the above matters will not have a material adverse impact on the business operation and financial position of the Group because (a) proceeds received under the Subscription Agreements have largely been unutilised, and can thus be applied toward repayment to the subscribers; (b) the Company has sufficient financial resources for its present operations; and (c) the Group does not foresee the subscribers of the Convertible Notes have suffered any material loss arising from the above matters or have any material claim against the Company.

Further announcement(s) will be made by the Company as and when appropriate to keep its shareholders and potential investors informed of the material developments in this matter.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 14 January 2016 pending the release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 15 January 2016.

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

Hong Kong, 14 January 2016

As at the date of this announcement, the Board comprises six executive Directors, namely, Mr. Jia Hong Sheng (Chairman), Dr. Li Zhong Yuan, Mr. Zhou Bao Yi, Mr. Chung Ho, Mr. Wang Jingming and Mr. Zhao Kai; and four independent non-executive Directors, namely, Mr. Mu Xiangming, Mr. Jiang Bo, Dr. Yan Shi Yun and Mr. Zhao Hua.