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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a net loss for the year ended 31 March 2010 as compared to a net profit for the year ended 31 March 2009. The expected loss in the Group's results for 2010 was mainly attributable to the provision to the value of the Redeemable Convertible Cumulative Preference Shares issued by the Company in July 2006. The Board is of the view that the Value Change does not have any immediate impact on the cashflow and business operation of the Group.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China HealthCare Holdings Limited (the "Company" and together with its subsidiaries, the "Group") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The board of directors of the Company (the "Board") wishes to inform shareholders of the Company and potential investors that based on preliminary review of the unaudited consolidated management accounts of the Group, it is expected the Group will record a net loss for the year ended 31 March 2010 as compared to a net profit for the year ended 31 March 2009. The expected loss in the Group's results for 2010 was mainly attributable to the provision to the value of the Redeemable Convertible Cumulative Preference Shares issued by the Company in July 2006 (the "Value Change"). The Board is of the view that the Value Change does not have any immediate impact on the cashflow and business operation of the Group.

* for identification purpose only

The Company is still in the process of finalising the Group's audited results for the year ended 31 March 2010. The information contained in this announcement is only based on the Company's preliminary review of the unaudited consolidated management accounts of the Group, which have not been audited or confirmed by the Company's auditors. Detailed financial information of the Group will be disclosed in the Company's 2010 annual report, which is expected to be published before the end of July 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board

Zhou Bao Yi

Executive Director

Hong Kong, 26 July 2010

As at the date of this announcement, the board of directors of the Company comprises Dr. Li Zhong Yuan and Mr. Zhou Bao Yi, all of whom are executive directors; Mr. Martin Treffer who is non-executive director; and Mr. Mu Xiang Ming, Mr. Jiang Bo and Dr. Yan Shi Yun, all of whom are independent non-executive directors.