China Child Care Corporation Limited
中國兒童護理有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1259)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong).

Based on the management accounts, the management of the Company estimated that the net profit after tax of the Group for the six months ended 30 June 2016 would decrease by approximately 50% to 60% as compared with that of the corresponding period in 2015.

The information contained in this announcement is only a preliminary estimation conducted by the management of the Company based on the latest available financial information and is subject to possible adjustments following further internal review and is not based on any figure or information which has been reviewed by the Company's audit committee.

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 Child Care Corporation Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company and potential investors that based on the management accounts, the Company's management estimated that the net profit after tax of the Group for the six months ended 30 June 2016 would decrease by approximately 50% to 60% as compared with that of the corresponding period in 2015, mainly due to: (1) the expected decrease of approximately 35% to 45% in the Group's income. The decrease in income of the Group was due to the continuous impacts arising from the slowdown of domestic economic growth and the change in consumers' consumption habits to electronic commerce, as well as the impact arising from the postponement of introducing new series of products to the end of the second quarter of 2016 which was originally planned to be on the market in the first quarter of 2016; and (2) the increase in the discount given to the distributors by the Group starting from the second quarter of 2015 and the extension of the abovementioned discount in 2016. The Board wishes to provide a profit warning to the shareholders of Company and potential investors.

As the Group's unaudited results for the six months ended 30 June 2016 have not been finalized, the information contained in this announcement is only a preliminary estimation conducted by the management of the Company based on the latest available financial information and is subject to possible adjustments following further internal review and is not based on any figure or information which has been reviewed by the Company's audit committee.

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
China Child Care Corporation Limited
Ren Yunan
Vice Chairman of the Board

Hong Kong, 8 July 2016

As at the date of this announcement, the Board comprises (i) five executive directors, namely Mr. Li Zhenhui, Mr. Xie Jinling, Mr. Ge Xiaohua, Mr. Huang Xinwen and Mr. Li Zhouxin; (ii) one non-executive director, namely Mr. Ren Yunan; and (iii) two independent non-executive directors, namely Mr. Wong Wai Ming and Mr. Tang Shuo.