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**CK Life Sciences Int'l. (Holdings) Inc.**

長江生命科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8222)

## **HALF-YEAR RESULTS ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2008**

### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

***GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.***

***Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.***

*This announcement, for which the directors (the “Directors”) of CK Life Sciences Int'l., (Holdings) Inc. (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and is not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## CHAIRMAN'S STATEMENT

### The First Half Results

<b>HK\$ Million</b>	<b>2008</b>	<b>(Restated) 2007</b>	<b>Variance</b>
Turnover	1,595.0	1,003.0	+59%
Agriculture-related	553.6	210.6	+163%
Health	1,031.8	747.5	+38%
Treasury investment	9.6	44.9	-79%
Profit before fair value changes of financial instruments	62.8	34.8	+80%
Fair value changes on financial instruments	(54.5)	31.4	N/A
Profit attributable to shareholders	8.3	66.2	-87%

CK Life Sciences Int'l., (Holdings) Inc. ("CK Life Sciences" or the "Group") performed very well operationally in the first half of 2008.

Our health and agriculture-related businesses delivered growth in turnover of 38% and 163% respectively.

The Group's overall turnover increased by 59% to HK\$1,595 million for the six months ended 30 June 2008.

Profit before fair value changes of financial instruments was HK\$62.8 million, representing a substantial 80% increase compared to the same period last year.

This performance, however, was affected by adverse fair value changes in financial instruments.

As reported during the first quarter, the global credit crisis and financial downturn has had a negative impact on the valuation of the Group's financial instruments. This phenomenon worsened during the second quarter of the year and adversely affected the results for the period under review.

After adjusting for the downward valuation of the Group's financial instruments as at 30 June 2008, CK Life Sciences' profit attributable to shareholders was HK\$8.3 million, as compared to HK\$66.2 million last year.

The adjustment for the valuation of financial instruments represents a non-cash accounting entry, with no impact on the Group's cashflow and operational profitability for the period under review.

The Board of Directors has not declared any interim dividend for the period under review (2007: Nil).

### **Health Sales Increased by 38% to Reach Over HK\$1 Billion**

For the period under review, our nutraceutical businesses delivered total sales of HK\$1,032 million, an increase of 38% over the same period last year.

Our *AG Natural Health* brand of nutraceutical products achieved a satisfactory performance in the Hong Kong market, with steady sales recorded.

Stable returns were generated by our operations in North America, which consist of the *AG Natural Health (Adrien Gagnon)* nutraceutical business in Canada and Vitaquest International Holdings LLC custom contract manufacturing operations in the US.

In Australia, the performance of the recently acquired Lipa Pharmaceuticals Limited, a leading contract manufacturer of complementary healthcare and over-the-counter medicines in the country, has exceeded budgets and has provided a good profit contribution to CK Life Sciences for the period under review.

### **Agriculture-related Sales Up 163% to HK\$554 Million**

The Group's agriculture-related businesses recorded revenue of HK\$554 million during the first half, representing a 163% increase as compared with the same period last year.

Our Australian operations, in particular, reported a strong performance during the first half. The agricultural sector in Australia has benefited from increased rainfall and this has driven demand for fertilizer-related products. Accensi Pty Ltd, the largest independent contract manufacturer of crop protection products in Australia, has performed especially well, with sales having increased significantly.

Contributions from our Mainland China operations as well as export sales were also very encouraging, with substantial sales growth recorded.

### **R&D Advancements**

Steady progress has been made in CK Life Sciences' R&D initiatives.

Our pain management product, which has now proceeded to Phase III clinical trials, is making good headway in the patient recruitment process.

For our melanoma vaccine, we have maintained a close dialogue with the US FDA to determine the course of action required for proceeding with Phase III clinical trials.

### **Corporate Developments**

CK Life Sciences has submitted an application to The Stock Exchange of Hong Kong Limited for transfer of its listing from the Growth Enterprise Market to the Main Board. We believe that this will help enhance the Group's profile and increase trading liquidity of its shares, and will be beneficial to CK Life Sciences' future growth, capital-raising ability and business development.

### **Prospects**

CK Life Sciences has achieved continued growth in operational profitability through fostering development of our health and agriculture-related businesses, as well as through successfully acquiring new companies that enhance our portfolio. We will continue to adhere to this strategy which we believe will maximize shareholder value in the longer term.

We are optimistic about the prospects for our R&D initiatives and will continue to dedicate efforts and resources in developing this area.

CK Life Sciences' first half results have been adversely impacted by the accounting entry pertaining to the downward valuation of financial instruments during the period under review. As and when the global economic landscape becomes less volatile, the financial results will better reflect operational performance of the Group.

I would like to take this opportunity to thank our shareholders, Board of Directors, staff and business partners for their continued support.

**Li Tzar Kuoi, Victor**  
Chairman

Hong Kong, 11 August 2008

## **FINANCIAL REVIEW**

### **Financial resources and liquidity**

As at 30 June 2008, the Group's total assets amounted to HK\$7,326.6 million of which marketable securities were HK\$552.8 million and total bank balances and cash were HK\$581.9 million. The marketable securities generated a total net investment loss of HK\$61.0 million. The total bank balances and cash generated a total interest income of HK\$9.5 million for the first six months of 2008 ("the Period").

At the end of the period under review, the total liabilities were HK\$2,003.2 million, comprising total bank loans and overdrafts of HK\$1,091.9 million. These bank loans were raised for financing the acquisition of overseas subsidiaries as well as providing general working capital for some of the overseas subsidiaries. The maturity profiles of these loans vary from 1 to 3 years and incurred a total finance cost of HK\$45.6 million for the Period. As at 30 June 2008, the Group's gearing ratio was approximately 9.8%, calculated on the basis of the Group's net borrowings (after deducting cash and bank balances of HK\$581.9 million) over the equity attributable to equity holders of the Company. The net asset value of the Group was HK\$0.55 per share.

### **Treasury policies**

The Group continues to adopt a prudent treasury policy and manage most of its treasury functions at the head office regarding its funding needs, foreign exchange and interest rate exposures.

Most of the Group's financial instruments are denominated in US dollars and thus exchange rate risk relating to such investments is low. For overseas subsidiaries/investments whose assets are non-US dollars, the Group has established a natural hedge with an appropriate level of borrowings in the relevant local currencies in order to mitigate the currency risk.

The Group's borrowings are principally on a floating rate basis. To minimize its interest rate risk under the current uptrend interest rate environment, the Group has been regularly and closely monitoring its overall net debt position, and reviewing its funding costs and loan maturity profile so as to facilitate refinancing at an appropriate time with a lower cost.

### **Charge on assets**

As at 30 June 2008, the Group's interests in a subsidiary company with the carrying value of HK\$195.0 million were pledged as part of the security for a bank loan and overdraft totaling HK\$141.5 million granted to the subsidiary company.

### **Material acquisitions/disposals and significant investments**

In January 2008, the Group completed the acquisition of 100% stake in Accensi Pty Ltd (“Accensi”) (the “Acquisition”). Accensi is a company incorporated under the laws of Australia. The principal activity of Accensi is the manufacturing and marketing of plant protection products and soluble fertilizers. The Acquisition constitutes a discloseable transaction under the GEM Listing Rules and details of which are incorporated in a circular issued on 12 November 2007.

Other than aforementioned, there were no other material acquisitions/disposals which would have been required to be disclosed under the GEM Listing Rules.

The Group has always been investing significantly in research and development activities. Such investment amounted to about HK\$30.9 million for the Period.

### **Capital commitments and future plans for material investments or capital assets**

As of 30 June 2008, the total capital commitments by the Group amounted to HK\$3.4 million which were mainly made up of contracted commitments in respect of the acquisition of laboratory instrument, computer software, plant and equipment.

### **Contingent liabilities**

As at 30 June 2008, the Group had no material contingent liabilities.

### **Information on employees**

The Group had a total number of 1,341 full time employees at the end of June 2008, a increase of 188 headcount as compared to the same period of 2007. The total staff costs, including directors’ emoluments, amounted to approximately HK\$318.8 million for the Period. The increase in headcount and staff costs were mainly due to the inclusion of Accensi and Lipa Pharmaceuticals Limited in the Period. The Group’s employment and remuneration policies remained the same as detailed in the Company’s annual report for the year ended 31 December 2007.

## CONDENSED CONSOLIDATED INCOME STATEMENT

		For the three months ended 30 June		For the six months ended 30 June	
		2008 (unaudited) <u>HK\$'000</u>	2007 (unaudited) HK\$'000 (Restated)	2008 (unaudited) <u>HK\$'000</u>	2007 (unaudited) HK\$'000 (Restated)
Turnover	2	809,660	499,599	1,594,980	1,002,974
Cost of sales		<u>(564,042)</u>	<u>(304,203)</u>	<u>(1,091,829)</u>	<u>(635,292)</u>
		245,618	195,396	503,151	367,682
Other income, gains and losses	3	(21,509)	8,028	(53,639)	42,047
Staff costs	4	(84,510)	(75,843)	(172,666)	(144,379)
Depreciation		(7,755)	(7,848)	(15,468)	(15,783)
Amortization of intangible assets		(11,627)	(7,608)	(23,156)	(15,295)
Other operating expenses		(88,388)	(81,546)	(183,755)	(167,110)
Gain on disposal of associates		-	2,712	-	2,712
Gain on disposal of a subsidiary		-	2,100	-	2,100
Finance costs		(28,294)	(6,596)	(45,640)	(12,577)
Share of results of associates		(2,498)	(2,033)	(4,045)	(3,864)
Profit before taxation		1,037	26,762	4,782	55,533
Taxation	5	3,359	8,806	3,018	9,937
Profit for the period		<u>4,396</u>	<u>35,568</u>	<u>7,800</u>	<u>65,470</u>
Attributable to:					
Equity holders of the Company		4,892	36,145	8,269	66,248
Minority interests		(496)	(577)	(469)	(778)
		<u>4,396</u>	<u>35,568</u>	<u>7,800</u>	<u>65,470</u>
Earnings per share	6				
- Basic		<u>0.05 cent</u>	0.38 cent	<u>0.09 cent</u>	0.69 cent
- Diluted		<u>0.05 cent</u>	0.38 cent	<u>0.09 cent</u>	0.69 cent

## CONDENSED CONSOLIDATED BALANCE SHEET

		As at 30 June 2008 (unaudited) HK\$'000	As at 31 December 2007 (audited) HK\$'000
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	615,322	581,853
Prepaid lease for land		12,231	12,388
Intangible assets	9	3,958,703	3,770,114
Interests in associates		55,201	59,164
Convertible debentures issued by an associate		47,368	24,895
Available-for-sale investments		150,101	150,101
Investments at fair value through profit or loss		314,012	323,230
Deferred taxation		123,326	87,320
		<b>5,276,264</b>	<b>5,009,065</b>
<b>Current assets</b>			
Investments at fair value through profit or loss		39,132	55,104
Derivative financial instruments		49,535	18,428
Inventories		541,089	382,841
Receivables and prepayments	10	838,630	667,525
Deposit with financial institutions		15,600	40,131
Bank balances and deposits		566,312	766,891
		<b>2,050,298</b>	<b>1,930,920</b>
<b>Current liabilities</b>			
Payables and accruals	10	(723,151)	(672,262)
Derivative financial instruments		(65,113)	(55,889)
Bank overdrafts	11	(15,800)	(13,391)
Bank loans	11	(154,069)	(125,901)
Finance lease obligations		(917)	(752)
Taxation		(36,406)	(15,949)
		<b>(995,456)</b>	<b>(884,144)</b>
<b>Net current assets</b>		<b>1,054,842</b>	<b>1,046,776</b>
<b>Total assets less current liabilities</b>		<b>6,331,106</b>	<b>6,055,841</b>

**Condensed Consolidated Balance Sheet (cont'd)**

		As at <b>30 June 2008</b> <b>(unaudited)</b> <b>HK\$'000</b>	As at 31 December 2007 <b>(audited)</b> <b>HK\$'000</b>
	<i>Notes</i>	<u>HK\$'000</u>	<u>HK\$'000</u>
<b>Non-current liabilities</b>			
Bank loans	<i>11</i>	<b>(921,997)</b>	(710,546)
Finance lease obligations		<b>(1,862)</b>	(937)
Loan from a minority shareholder		<b>(31,383)</b>	(27,574)
Deferred taxation		<b>(52,466)</b>	(50,052)
		<u><b>(1,007,708)</b></u>	<u>(789,109)</u>
<b>Total net assets</b>		<u><b>5,323,398</b></u>	<u>5,266,732</u>
<b>Capital and reserves</b>			
Share capital	<i>12</i>	<b>961,107</b>	961,107
Share premium and reserves		<b>4,247,341</b>	4,190,206
<b>Equity attributable to equity holders of the Company</b>		<b>5,208,448</b>	5,151,313
Minority interests		<b>114,950</b>	115,419
<b>Total equity</b>		<u><b>5,323,398</b></u>	<u>5,266,732</u>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital (unaudited) HK\$'000	Share premium (unaudited) HK\$'000	Investment revaluation reserve (unaudited) HK\$'000	Exchange reserve (unaudited) HK\$'000	Employee share-based compensation reserve (unaudited) HK\$'000	Accumulated losses (unaudited) HK\$'000	Equity attributable to equity holders of the Company (unaudited) HK\$'000	Minority interests (unaudited) HK\$'000	Total equity (unaudited) HK\$'000
2007									
At 1 January 2007	961,107	4,147,543	(22,945)	27,226	8,712	(175,190)	4,946,453	15,571	4,962,024
Loss on fair value changes of available-for-sale investments	-	-	(1,648)	-	-	-	(1,648)	-	(1,648)
Exchange difference on translation of financial statements of overseas operations	-	-	-	31,204	-	-	31,204	-	31,204
Income recognized directly in equity	-	-	(1,648)	31,204	-	-	29,556	-	29,556
Profit for the period	-	-	-	-	-	66,248	66,248	(778)	65,470
Release on disposal of a subsidiary	-	-	-	(912)	-	-	(912)	(7,662)	(8,574)
Release on disposal of associates	-	-	-	(3,628)	-	-	(3,628)	-	(3,628)
Total recognized income and expenses for the period	-	-	(1,648)	26,664	-	66,248	91,264	(8,440)	82,824
Employee's share option lapse during the period	-	-	-	-	(1,141)	1,141	-	-	-
At 30 June 2007	961,107	4,147,543	(24,593)	53,890	7,571	(107,801)	5,037,717	7,131	5,044,848
2008									
At 1 January 2008	961,107	4,147,543	(1,795)	93,935	7,291	(56,768)	5,151,313	115,419	5,266,732
Exchange difference on translation of financial statements of overseas operations	-	-	-	47,071	-	-	47,071	-	47,071
Income recognized directly in equity	-	-	-	47,071	-	-	47,071	-	47,071
Profit for the period	-	-	-	-	-	8,269	8,269	(469)	7,800
Release on disposal of investments	-	-	1,795	-	-	-	1,795	-	1,795
Total recognized income and expenses for the period	-	-	1,795	47,071	-	8,269	57,135	(469)	56,666
Employee's share option lapse during the period	-	-	-	-	(463)	463	-	-	-
At 30 June 2008	961,107	4,147,543	-	141,006	6,828	(48,036)	5,208,448	114,950	5,323,398

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the six months ended 30 June	
	2008	2007
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Net cash used in operating activities	(33,769)	(67,102)
Net cash outflow from investing activities	(287,413)	(52,832)
Net cash inflow from financing activities	118,194	17,907
Decrease in cash and cash equivalents	(202,988)	(102,027)
Cash and cash equivalents at beginning of the period	753,500	411,693
Cash and cash equivalents at end of the period	550,512	309,666

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Basis of preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standards 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the GEM Listing Rules.

They have also been prepared under the historical cost convention, except for certain properties and financial instruments which are measured at revaluated amounts or fair values.

The accounting policies used in preparing the interim financial statements are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2007.

### 2. Turnover and segment information

Turnover represents net invoiced value of goods sold, after allowance for returns and trade discount, as well as income from investments, and is analysed as follows:

#### A. Segment turnover

An analysis of the business segment turnover is as follows:

	For the six months ended 30 June	
	2008	2007
	<u>HK\$’000</u>	<u>HK\$’000</u>
		(Restated)
Environment	553,608	210,587
Health	1,031,822	747,497
Investment *	<u>9,550</u>	<u>44,890</u>
	<u>1,594,980</u>	<u>1,002,974</u>

\* In previous periods, the sale proceeds and costs in respect of the disposal of trading equity securities were included in the Group’s turnover and cost of sales, respectively. In the current period, the Group considered it is more appropriate to include the net balances of such sales proceeds amounted to HK\$ 11.0 million (2007: HK\$94.6 million) and the related cost amounted to HK\$10.5 million (2007: HK\$88.2 million) in net (loss) / gain on investment at fair value through profit or loss included in other income, gains and losses. The comparative amounts have been restated to conform with the current period presentation.

## B. Segment results

An analysis of the business segment results is as follows:

	For the six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000 (Restated)
Business segment results		
Environment	66,756	(1,954)
Health	87,309	35,436
Investment	<u>(54,074)</u>	<u>81,861</u>
	99,991	115,343
Business development expenditure	(12,665)	(15,587)
Research and development expenditure	(11,217)	(13,011)
Corporate expenses	(21,642)	(19,583)
Gain on disposal of associates	-	2,712
Gain on disposal of a subsidiary	-	2,100
Finance costs	(45,640)	(12,577)
Share of results of associates	<u>(4,045)</u>	<u>(3,864)</u>
Profit before taxation	4,782	55,533
Taxation	<u>3,018</u>	<u>9,937</u>
Profit for the period	<u><u>7,800</u></u>	<u><u>65,470</u></u>

## 3. Other income, gains and losses

	For the six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000 (Restated)
Included in other income, gains and losses are:		
Interest income from bank deposits	9,467	8,286
Net (loss) / gain on investment at fair value through profit or loss, and derivative financial statements *	<u>(70,532)</u>	<u>31,555</u>

\* The amount includes the decrease in fair value change of investments at fair value through profit or loss / derivative financial instruments amounted to HK\$54.5 million (2007: increase in fair value of HK\$31.4 million).

#### 4. Staff costs

Staff costs which include salaries, bonuses, retirement benefit scheme contribution and recruitment costs for the three months and six months ended 30 June 2008 respectively amounted to HK\$164.3 million (2007: HK\$121.5 million) and HK\$318.8 million (2007: HK\$ 242.5 million) of which HK\$4.6 million (2007: HK\$3.6 million) and HK\$8.9 million (2007: HK\$8.2 million) relating to development activities were capitalized and HK\$75.2 million (2007: HK\$42.1 million) and HK\$137.2 million (2007: HK\$89.9 million) were allocated to costs of sales.

#### 5. Taxation

	For the six months ended 30 June	
	2008	2007
	<u>HK\$'000</u>	<u>HK\$'000</u>
Current tax		
Hong Kong	(3)	3,312
Other jurisdictions	9,035	1,572
Deferred tax		
Hong Kong	-	215
Other jurisdictions	(12,050)	(15,036)
	<u>(3,018)</u>	<u>(9,937)</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## 6. Earnings per share

The calculations of the basic and diluted earnings per share attributable to the equity holders of the Company are based on the following data:

	<u>For the three months ended 30 June</u>		<u>For the six months ended 30 June</u>	
	<b>2008</b>	2007	<b>2008</b>	2007
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
<b>Profit for the period</b>				
Profit for calculating basic and diluted earnings per share	<u><b>4,892</b></u>	<u>36,145</u>	<u><b>8,269</b></u>	<u>66,248</u>
<b>Number of shares</b>				
Weighted average number of ordinary shares in issue used in the calculation of basic and diluted earnings per share	<u><b>9,611,072,400</b></u>	<u>9,611,072,400</u>	<u><b>9,611,072,400</b></u>	<u>9,611,072,400</u>

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options for the three months and for the six months respectively ended 30 June 2008 and 2007.

## 7. Dividends

The Board of Directors of the Company has not declared an interim dividend for the six months ended 30 June 2008 (2007: Nil).

## 8. Property, plant and equipment

	Freehold land and building	Construction in progress	Laboratory instruments, plant and equipment	Furniture, fixtures and other assets	Leasehold improvement	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost or valuation						
At 1 January 2008	218,072	12,036	439,930	95,017	62,670	827,725
Net additions	10,310	1,925	36,227	5,736	3,043	57,241
Acquisition of a subsidiary	163	525	16,151	2,448	-	19,287
<b>At 30 June 2008</b>	<b>228,545</b>	<b>14,486</b>	<b>492,308</b>	<b>103,201</b>	<b>65,713</b>	<b>904,253</b>
Accumulated depreciation						
At 1 January 2008	12,787	-	157,482	62,681	12,922	245,872
Provided for the period	2,562	-	29,549	7,119	3,829	43,059
<b>At 30 June 2008</b>	<b>15,349</b>	<b>-</b>	<b>187,031</b>	<b>69,800</b>	<b>16,751</b>	<b>288,931</b>
Net book value						
<b>At 30 June 2008</b>	<b>213,196</b>	<b>14,486</b>	<b>305,277</b>	<b>33,401</b>	<b>48,962</b>	<b>615,322</b>
At 31 December 2007	205,285	12,036	282,448	32,336	49,748	581,853

## 9. Intangible assets

	Development costs	Patents	Goodwill	Trademark	Customer relationship	Distribution network	Other intangible assets	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost								
At 1 January 2008	423,878	16,604	2,887,562	125,457	337,010	37,463	9,551	3,837,525
Net additions	21,638	974	49,107	(515)	12,328	-	1,606	85,138
Acquisition of a subsidiary	-	-	107,654	-	19,451	-	-	127,105
<b>At 30 June 2008</b>	<b>445,516</b>	<b>17,578</b>	<b>3,044,323</b>	<b>124,942</b>	<b>368,789</b>	<b>37,463</b>	<b>11,157</b>	<b>4,049,768</b>
Amortization								
At 1 January 2008	15,100	2,168	-	-	41,284	6,087	2,772	67,411
Provided for the period	1,995	257	-	-	18,576	1,941	885	23,654
<b>At 30 June 2008</b>	<b>17,095</b>	<b>2,425</b>	<b>-</b>	<b>-</b>	<b>59,860</b>	<b>8,028</b>	<b>3,657</b>	<b>91,065</b>
Net book value								
<b>At 30 June 2008</b>	<b>428,421</b>	<b>15,153</b>	<b>3,044,323</b>	<b>124,942</b>	<b>308,929</b>	<b>29,435</b>	<b>7,500</b>	<b>3,958,703</b>
At 31 December 2007	408,778	14,436	2,887,562	125,457	295,726	31,376	6,779	3,770,114

## 10. Receivables and payables

The Group has a policy of allowing an average credit period of 90 days to its customers. Aging analyses of trade debtors and trade creditors are as follows:

	<b>As at 30 June 2008</b>	As at 31 December 2007
	<b>HK\$'000</b>	HK\$'000
<b>Trade debtors</b>		
0 – 90 days	<b>572,021</b>	471,198
> 90 days	<b>89,007</b>	31,442
	<b>661,028</b>	502,640
<b>Trade creditors</b>		
0- 90 days	<b>264,030</b>	256,363
> 90 days	<b>48,192</b>	19,943
	<b>312,222</b>	276,306

## 11. Bank loans and bank overdrafts

Certain bank loans and bank overdrafts are secured by a charge over the assets of a subsidiary company.

## 12. Share capital

	<b>Number of shares of HK\$0.10 each '000</b>	<b>Nominal value HK\$'000</b>
<b>Authorized</b>		
At 31 December 2007 and 30 June 2008	<u>15,000,000</u>	<u>1,500,000</u>
<b>Issued and fully paid:</b>		
At 31 December 2007 and 30 June 2008	<u>9,611,073</u>	<u>961,107</u>

## 13. Related party transactions

During the six months ended 30 June 2008, the Group entered into the following transactions with related parties:

- a) The Group made sales of HK\$13.9 million (2007: HK\$11.1 million) to Hutchison International Limited (“HIL”) group. HIL is a wholly-owned subsidiary of Hutchison Whampoa Limited which is the associate of a substantial shareholder of the Company, Cheung Kong (Holdings) Limited.
- b) The Group leased certain properties from Leknarf Associates, LLC (“Leknarf”) which is an associate of a minority shareholder of a non-wholly owned subsidiary company, Vitaquest International Holdings LLC. The total rental payment by the Group to Leknarf amounted to HK\$6.9 million in 2008 (2007: HK\$7.5 million). Included in receivables and prepayments is prepaid rental amounted to HK\$0.7 million (2007: HK\$0.4 million) to Leknarf.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2008, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code on Securities Transactions by Directors adopted by the Company (“Model Code”), to be notified to the Company and the Stock Exchange, were as follows:

### (1) Long positions in the shares of the Company

Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
		Personal Interests	Family Interests	Corporate Interests	Other Interests		
Li Tzar Kuoi, Victor	Beneficial owner & beneficiary of trusts	2,250,000	-	-	4,258,634,570 (Note)	4,260,884,570	44.33%
Kam Hing Lam	Interest of child or spouse	-	6,225,000	-	-	6,225,000	0.06%
Ip Tak Chuen, Edmond	Beneficial owner	2,250,000	-	-	-	2,250,000	0.02%
Yu Ying Choi, Alan Abel	Beneficial owner	2,250,000	-	-	-	2,250,000	0.02%
Chu Kee Hung	Beneficial owner	2,250,000	-	-	-	2,250,000	0.02%
Peter Peace Tulloch	Beneficial owner	1,050,000	-	-	-	1,050,000	0.01%
Wong Yue-chim, Richard	Beneficial owner	375,000	-	-	-	375,000	0.004%
Kwok Eva Lee	Beneficial owner	200,000	-	-	-	200,000	0.002%

Note:

Such 4,258,634,570 shares are held by a subsidiary of Cheung Kong (Holdings) Limited (“Cheung Kong Holdings”). Li Ka-Shing Unity Trustee Company Limited (“TUT”) as trustee of The Li Ka-Shing Unity Trust (the “LKS Unity Trust”) and companies controlled by TUT as trustee of the LKS Unity Trust hold more than one-third of the issued share capital of Cheung Kong Holdings. Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”) as trustee of The Li Ka-Shing Unity Discretionary Trust (“DT1”) and Li Ka-Shing Unity Trustcorp Limited (“TDT2”) as trustee of another discretionary trust (“DT2”) hold all issued and outstanding units in the LKS Unity Trust but are not entitled to any interest or share in any particular property comprising the trust assets of the LKS Unity Trust. The discretionary beneficiaries of such discretionary trusts are, inter alia, Mr. Li Tzar Kuoi, Victor, his wife and children, and Mr. Li Tzar Kai, Richard. Mr. Li Tzar Kuoi, Victor, as a discretionary beneficiary of such discretionary trusts and a Director of the Company, is taken to be interested in those shares of Cheung Kong Holdings and thus is taken to be interested in those 4,258,634,570 shares held by the subsidiary of Cheung Kong Holdings under the SFO.

## (2) Long positions in the underlying shares of the Company

Pursuant to the share option scheme adopted by the Company on 26 June 2002 (the “Share Option Scheme”), certain Directors in the capacity as beneficial owners were granted unlisted and physically settled share options to subscribe for shares of the Company, details of which as at 30 June 2008 were as follows:

Name of Director	Date of grant	Number of share options				Outstanding as at 30 June 2008	Option period	Subscription price per share HK\$
		Outstanding as at 1 January 2008	Granted during the period	Exercised during the period	Cancelled/lapsed during the period			
Yu Ying Choi, Alan Abel	30/9/2002	348,440	-	-	-	348,440	30/9/2003 - 29/9/2012	1.422
	27/1/2003	775,560	-	-	-	775,560	27/1/2004 - 26/1/2013	1.286
	19/1/2004	775,560	-	-	-	775,560	19/1/2005 - 18/1/2014	1.568
Chu Kee Hung	30/9/2002	348,440	-	-	-	348,440	30/9/2003 - 29/9/2012	1.422
	27/1/2003	775,560	-	-	-	775,560	27/1/2004 - 26/1/2013	1.286
	19/1/2004	775,560	-	-	-	775,560	19/1/2005 - 18/1/2014	1.568

Save as disclosed above, during the six months ended 30 June 2008, none of the Directors or their respective associates was granted share options to subscribe for shares of the Company, nor had exercised such rights.

Save as disclosed above, none of the Directors or chief executive of the Company had, as at 30 June 2008, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## DETAILS OF OPTIONS GRANTED BY THE COMPANY

The Company has adopted the Share Option Scheme under which the Directors or employees of the Company or its subsidiaries or certain other persons may be granted share options to subscribe for shares of the Company subject to the terms and conditions stipulated in the Share Option Scheme.

As at 30 June 2008, options to subscribe for an aggregate of 13,674,021 shares of the Company granted to certain continuous contract employees (including the Executive Directors of the Company as disclosed above) pursuant to the Share Option Scheme were outstanding, details of which were as follows:

Date of grant	Number of share options					Outstanding as at 30 June 2008	Option period	Subscription price per share HK\$
	Outstanding as at 1 January 2008	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period			
30/9/2002	2,556,538	-	-	(139,376)	-	2,417,162	30/9/2003 - 29/9/2012 (Note 1)	1.422
27/1/2003	5,603,251	-	-	(258,632)	-	5,344,619	27/1/2004 - 26/1/2013 (Note 2)	1.286
19/1/2004	6,384,320	-	-	(472,080)	-	5,912,240	19/1/2005 - 18/1/2014 (Note 3)	1.568

Notes:

1. The options are exercisable from 30 September 2003 to 29 September 2012 (both days inclusive) subject to the following vesting periods:
  - (i) up to 35% of the options commencing on 30 September 2003;
  - (ii) up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing on 30 September 2004; and
  - (iii) up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing on 30 September 2005.

2. The options are exercisable from 27 January 2004 to 26 January 2013 (both days inclusive) subject to the following vesting periods:
  - (i) up to 35% of the options commencing on 27 January 2004;
  - (ii) up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing on 27 January 2005; and
  - (iii) up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing on 27 January 2006.
  
3. The options are exercisable from 19 January 2005 to 18 January 2014 (both days inclusive) subject to the following vesting periods:
  - (i) up to 35% of the options commencing on 19 January 2005;
  - (ii) up to 70% of the options (including the options not exercised under the limit prescribed for in the previous period) commencing on 19 January 2006; and
  - (iii) up to 100% of the options (including the options not exercised under the limit prescribed for in the previous periods) commencing on 19 January 2007.

## INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 30 June 2008, shareholders (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or were otherwise notified to the Company were as follows:

### (1) Long positions of substantial shareholders in the shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Gold Rainbow Int'l Limited	Beneficial owner	4,258,634,570	44.30%
Gotak Limited	Interest of a controlled corporation	4,258,634,570 (Note i)	44.30%
Cheung Kong (Holdings) Limited	Interest of controlled corporations	4,258,634,570 (Note ii)	44.30%
Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust	Trustee	4,258,634,570 (Note iii)	44.30%
Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust	Trustee & beneficiary of a trust	4,258,634,570 (Note iii)	44.30%
Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust	Trustee & beneficiary of a trust	4,258,634,570 (Note iii)	44.30%
Li Ka-shing	Founder of discretionary trusts & interest of controlled corporations	4,258,634,570 (Note iv)	44.30%
Trueway International Limited	Beneficial owner	2,119,318,286	22.05%
Li Ka Shing Foundation Limited	Interest of controlled corporations	2,835,759,715 (Note v)	29.50%

### (2) Long position of other person in the shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Triluck Assets Limited	Beneficial owner	716,441,429	7.45%

Notes:

- i. This represents the same block of shares in the Company as shown against the name of Gold Rainbow Int'l Limited ("Gold Rainbow") above. Since Gold Rainbow is wholly-owned by Gotak Limited, Gotak Limited is deemed to be interested in the same number of shares in which Gold Rainbow was interested under the SFO.
- ii. As Gotak Limited is wholly-owned by Cheung Kong Holdings, Cheung Kong Holdings is deemed to be interested in the same number of shares which Gotak Limited is deemed to be interested under the SFO.
- iii. TUT as trustee of the LKS Unity Trust and companies controlled by TUT as trustee of the LKS Unity Trust hold more than one-third of the issued share capital of Cheung Kong Holdings. TDT1 as trustee of DT1 and TDT2 as trustee of DT2 hold all issued and outstanding units in the LKS Unity Trust but are not entitled to any interest or share in any particular property comprising the trust assets of the LKS Unity Trust. Under the SFO, each of TUT as trustee of the LKS Unity Trust, TDT1 as trustee of DT1 and TDT2 as trustee of DT2 is deemed to be interested in the same block of shares as Cheung Kong Holdings is deemed to be interested as disclosed in Note ii above.
- iv. As Mr. Li Ka-shing owns one-third of the issued share capital of Li Ka-Shing Unity Holdings Limited which in turn holds the entire issued share capital of TUT, TDT1 and TDT2 and is the settlor and may be regarded as a founder of each of DT1 and DT2 for the purpose of the SFO, Mr. Li Ka-shing is deemed to be interested in the same number of shares in which Cheung Kong Holdings is deemed to be interested as mentioned above under the SFO.
- v. Trueway International Limited ("Trueway") and Triluck Assets Limited ("Triluck") are wholly-owned by Li Ka Shing Foundation Limited ("LKSF") and LKSF is deemed to be interested in a total of 2,835,759,715 shares under the SFO, being the aggregate of the shares in which Trueway and Triluck were interested as shown against the names Trueway and Triluck above.

Save as disclosed above, as at 30 June 2008, the Company has not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## COMPETING INTERESTS

During the six months ended 30 June 2008, the interests of Directors, management shareholders of the Company or their respective associates as defined in the GEM Listing Rules (the “Associates”) in the businesses which compete or may compete, either directly or indirectly, with the businesses of the Group (the “Competing Business”) as required to be disclosed pursuant to the GEM Listing Rules were as follows:

### (1) Core business activities of the Group

- (i) Research and development, manufacturing, commercialization, marketing and selling of environmental and human health products; and water business.
- (ii) Investment in various financial and investment products.

### (2) Interests in Competing Business

Name of Director	Name of Company	Nature of Interest	Competing Business (Note 2)
Li Tzar Kuoi, Victor	Cheung Kong (Holdings) Limited	Managing Director and Deputy Chairman (Note 1)	(ii)
	Hutchison Whampoa Limited	Executive Director and Deputy Chairman (Note 1)	(i) & (ii)
	Cheung Kong Infrastructure Holdings Limited	Chairman (Note 1)	(i) & (ii)
	Hongkong Electric Holdings Limited	Executive Director (Note 1)	(ii)
Kam Hing Lam	Cheung Kong (Holdings) Limited	Deputy Managing Director (Note 1)	(ii)
	Hutchison Whampoa Limited	Executive Director (Note 1)	(i) & (ii)
	Cheung Kong Infrastructure Holdings Limited	Group Managing Director (Note 1)	(i) & (ii)
	Hongkong Electric Holdings Limited	Executive Director	(ii)
Ip Tak Chuen, Edmond	Cheung Kong (Holdings) Limited	Deputy Managing Director	(ii)
	Cheung Kong Infrastructure Holdings Limited	Executive Director and Deputy Chairman	(i) & (ii)
	TOM Group Limited	Non-executive Director	(ii)
	CATIC International Holdings Limited	Non-executive Director	(ii)
	Excel Technology International Holdings Limited	Non-executive Director	(ii)
	Shougang Concord International Enterprises Company Limited	Non-executive Director	(ii)
	The Ming An (Holdings) Company Limited	Non-executive Director	(ii)
	ARA Asset Management Limited	Non-executive Director	(ii)
Ruinian International Limited	Director	(i)	
Yu Ying Choi, Alan Abel	Wex Pharmaceuticals Inc.	Director	(i)
Wong Yue-chim, Richard	Great Eagle Holdings Limited	Independent Non-executive Director	(ii)
	Orient Overseas (International) Limited	Independent Non-executive Director	(ii)
Kwok Eva Lee	Cheung Kong Infrastructure Holdings Limited	Independent Non-executive Director	(i) & (ii)
Colin Stevens Russel	Cheung Kong Infrastructure Holdings Limited	Independent Non-executive Director	(i) & (ii)
	ARA Asset Management Limited	Independent Non-executive Director	(ii)

Notes:

1. Apart from holding the directorships, Mr. Li Tzar Kuoi, Victor and Mr. Kam Hing Lam and/or their respective family members have direct and/or indirect interests in the shares of such companies where appropriate.
2. Such businesses may be made through subsidiaries, associated companies or by way of other forms of investments.

Save as disclosed above, none of the Directors, the management shareholders of the Company or their respective Associates have any interests in a business which competes or may compete, either directly or indirectly, with the businesses of the Group.

## **CORPORATE GOVERNANCE**

The Board of Directors (“Board”) and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasize a quality Board, sound internal controls, and transparency and accountability to all shareholders. The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices (“Code on CG Practices”) as set out in Appendix 15 of the GEM Listing Rules throughout the six months ended 30 June 2008.

### **(1) Board Composition and Board Practices**

The Board is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders value. The Board consists of a total of nine Directors, comprising five Executive Directors, one Non-executive Director and three Independent Non-executive Directors. One-third of the Board are Independent Non-executive Directors and at least one of them has appropriate professional qualifications, or accounting or related financial management expertise as required by the GEM Listing Rules. All Directors (including Non-executive Directors) are subject to retirement by rotation once every three years in accordance with the Company’s Articles of Association and the Code on CG Practices.

The positions of the Chairman of the Board (“Chairman”) and the Chief Executive Officer are held by separate individuals with a view to maintaining an effective segregation of duties respecting management of the Board and the day-to-day management of the Group’s business.

All Directors have made active contribution to the affairs of the Board and the Board has always acted in the best interests of the Group. In addition to regular Board meetings, the Chairman has meetings with the Non-executive Directors (including the Independent Non-executive Directors) without the presence of Executive Directors at least once every year.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and for ensuring that the Board is briefed on all legislative, regulatory and corporate governance developments and that the Board has regard to them when making decisions. The Company Secretary and the Compliance Officer are also directly responsible for the Group’s compliance with the continuing obligations of the GEM Listing Rules, Codes on Takeovers and Mergers and Share Repurchases, Companies Ordinance, SFO and other applicable laws, rules and regulations.

### **(2) Model Code on Securities Transactions by Directors**

The Company has adopted the model code on securities transactions by directors of listed issuers set out in Chapter 5 of the GEM Listing Rules as its own code of conduct regarding Directors’ securities transactions, effective 31 March 2004. Confirmation has been received from all Directors that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2008.

### **(3) Internal Controls**

The Company has an internal audit function in place to provide an independent assessment of the Group's internal control system and review of its effectiveness in accordance with the Code on CG Practices. The Internal Audit Department prepares its audit plan using a risk based methodology in consultation with, but independent of, the management for review by the audit committee of the Company ("Audit Committee"). The audit work focuses on financial, functional and information technology areas within the audited business units and those areas of the Group's activities with significant perceived risks. An integral part of the internal audit function is to monitor and ensure effective implementation of these internal control systems.

The Board, through the Audit Committee, has conducted a review of the effectiveness of internal control system operating in the Group for the six months ended 30 June 2008.

### **(4) Audit Committee**

The Company established the Audit Committee on 26 June 2002 and has formulated its written terms of reference in accordance with the provisions set out in the Code on CG Practices. The Audit Committee comprises three Independent Non-executive Directors, namely, Professor Wong Yue-chim, Richard (Chairman of the Audit Committee), Mrs. Kwok Eva Lee and Mr. Colin Stevens Russel. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the relationship with the external auditors of the Company.

The Group's half-year report for the six months ended 30 June 2008 has been reviewed by the Audit Committee.

### **(5) Remuneration Committee**

According to the Code on CG Practices, the Company established its remuneration committee ("Remuneration Committee") on 1 January 2005 with a majority of the members being Independent Non-executive Directors. The Remuneration Committee comprises the Chairman of the Board, Mr. Li Tzar Kuoi, Victor (Chairman of the Remuneration Committee), and two Independent Non-executive Directors, namely, Mrs. Kwok Eva Lee and Mr. Colin Stevens Russel.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management, and reviewing the specific remuneration packages of all Executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

## **(6) Investor Relations and Communication with Shareholders**

The Company establishes different communication channels with shareholders and investors, including (i) printed copies of financial reports, circulars, notices of general meetings and proxy forms required under the GEM Listing Rules, and shareholders can select to receive such documents by electronic means; (ii) the annual general meeting provides a forum for shareholders to raise comments and exchange views with the Board; (iii) updated and key information of the Group is available on the website of the Company; (iv) the Company's website offers a main communication channel between the Company and its shareholders and stakeholders; (v) regular press conferences and briefing meetings with analysts are arranged from time to time to update interested parties on the performance of the Group; (vi) the Company's Branch Share Registrar deals with shareholders for share registration and related matters; and (vii) Corporate Affairs Department of the Company handles enquiries from shareholders and investors generally.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2008, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## **DISCLOSURE UNDER RULE 17.23 OF THE GEM LISTING RULES**

On 13 May 2005, two indirect wholly-owned subsidiaries of the Company had each entered into a loan facility letter with HSBC Bank Canada ("HSBC Loan Facility Agreements") in connection with or arising out of the acquisition of the entire issued and outstanding shares in the capital of Développement Santé Naturelle A.G. Ltée. One of the HSBC Loan Facility Agreements is for a 3-year term loan (the "HSBC Term Loan") and the other is for an operating facility (together the "HSBC Facilities") under which the Company guarantees the obligations of its wholly-owned subsidiaries under the HSBC Facilities. In March 2008, the HSBC Facilities were renewed and the maturity date of the HSBC Term Loan was extended to 15 May 2011. As at 30 June 2008, the outstanding balance of the HSBC Facilities amounted to HK\$141.5 million. The provisions of the HSBC Loan Facility Agreements require at least 44.01% direct or indirect interest in the Company will have to be maintained by Cheung Kong Holdings (the Company's controlling shareholder). This obligation has been complied with.

Subsequent to the balance sheet date, on 29 July 2008, an indirect wholly-owned subsidiary of the Company entered into a loan facility agreement (the “CBA Loan Facility Agreement”) with the Singapore Branch of the Commonwealth Bank of Australia (“CBA”) in which a 3-year term loan of US\$121.0 million (the “CBA Facilities”) was granted for the sole purpose of refinancing certain existing loans from the Sydney Branch of the CBA (the “Refinanced Loans”). The CBA Facilities were guaranteed by the Company and certain of its indirect wholly-owned subsidiaries. As at 30 June 2008, the outstanding balance of the Refinanced Loans amounted to HK\$950.4 million. As one of the conditions mentioned in the CBA Loan Facility Agreement, Cheung Kong Holdings has provided a confirmation that as at 26 July 2008, it held not less than 44.01% of the voting shares of the Company. This obligation has been complied with.

*As at the date of this announcement, the Executive Directors of the Company are Mr. Li Tzar Kuoi, Victor (Chairman), Mr. Kam Hing Lam, Mr. Ip Tak Chuen, Edmond, Mr. Yu Ying Choi, Alan Abel and Dr. Chu Kee Hung; and the Non-executive Directors are Mr. Peter Peace Tulloch, Professor Wong Yue-chim, Richard (Independent Non-executive Director), Mrs. Kwok Eva Lee (Independent Non-executive Director) and Mr. Colin Stevens Russel (Independent Non-executive Director).*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the website of the Company at [www.ck-lifesciences.com](http://www.ck-lifesciences.com).*