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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)

(GEM Stock Code: 8222)

(Main Board Stock Code: 775)

## **APPROVAL OF TRANSFER OF LISTING FROM GEM TO MAIN BOARD**

On 3rd July 2008, the Company applied to the Stock Exchange for the transfer of listing from GEM to Main Board. The Company has applied for the listing of and permission to deal in: (i) 9,611,072,400 Shares in issue; and (ii) 13,462,709 Shares which may fall to be issued pursuant to the exercise of the outstanding options granted under the Share Option Scheme, on the Main Board by way of transfer of listing from GEM to Main Board under Chapter 9A of the Listing Rules.

The Board is pleased to announce that the Listing Committee has on 28th August 2008 granted its approval-in-principle for the transfer of listing of the Shares from GEM to the Main Board pursuant to Rule 9A.07 of the Listing Rules.

The last day of dealings in the Shares on GEM will be 5th September 2008. Dealings in the Shares on the Main Board will commence at 9:30 a.m. on 8th September 2008. The Shares will be traded on the Main Board under the new stock code 775.

### **INTRODUCTION**

Reference is made to the announcement issued by the Company dated 3rd July 2008 in relation to the proposed transfer of the listing of the Shares from GEM to the Main Board.

On 3rd July 2008, the Company applied to the Stock Exchange for the transfer of listing from GEM to Main Board. The Company has applied for the listing of and permission to deal in: (i) 9,611,072,400 Shares in issue; and (ii) 13,462,709 Shares which may fall to be issued pursuant to the exercise of the outstanding options granted under the Share Option Scheme, on the Main Board by way of transfer of listing from GEM to Main Board under Chapter 9A of the Listing Rules.

The Board is pleased to announce that the Listing Committee has on 28th August 2008 granted its approval-in-principle for the transfer of listing of the Shares from GEM to the Main Board pursuant to Rule 9A.07 of the Listing Rules.

The Company confirms that all pre-conditions for the transfer of listing of the Shares from GEM to the Main Board have, insofar as applicable, been fulfilled in relation to the Company and the Shares.

The last day of dealings in the Shares on GEM will be 5th September 2008. Dealings in the Shares on the Main Board will commence at 9:30 a.m. on 8th September 2008. The Shares will be traded on the Main Board under the new stock code 775.

## **EFFECTS OF THE TRANSFER OF LISTING FROM GEM TO MAIN BOARD**

The transfer of listing of the Shares from GEM to the Main Board will have no effect on the existing share certificates in respect of the Shares which will continue to be good evidence of legal title and will not involve any transfer or exchange of the existing share certificates. No change will be made to the board lot size or trading currency of the Shares, or the share registrar of the Shares, in connection with such transfer. The Shares will continue to be traded in board lots of 2,000 Shares each. No change in the nature of the business of the Group is contemplated by the Board following the transfer of listing from GEM to the Main Board.

The Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 16th July 2002, the date on which the Shares were listed on GEM. Subject to continued compliance with the stock admission requirements of HKSCC, the Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS once dealings in the Shares on the Main Board commence. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

## **SHARE OPTION SCHEME**

The Share Option Scheme fully complies with the requirements under Chapter 17 of the Listing Rules.

The Share Option Scheme will remain effective upon the transfer of the listing of the Shares from GEM to Main Board. As at the Latest Practicable Date, 24,014,000 options have been granted under the Share Option Scheme, of which 13,462,709 options remain outstanding. The outstanding options entitle the holders thereof to subscribe for a total of 13,462,709 Shares. Pursuant to the Share Option Scheme, the Company may grant additional options in respect of a total of 629,040,160 Shares during the remaining term of the Share Option Scheme.

The listing of the Shares issued and to be issued pursuant to the Share Option Scheme will also be transferred to the Main Board pursuant to Rule 9A.10 of the Listing Rules. Save for the options granted under the Share Option Scheme, no member of the Group has issued any securities convertible or exchangeable into Shares.

## COMPETING INTERESTS

As at the Latest Practicable Date, the core business activities of the Group were as follows:

- (a) research and development, manufacturing, commercialization, marketing and selling of environmental and human health products; and water business; and
- (b) investment in various financial and investment products.

### 1. Controlling shareholders' interests in Competing Businesses

As at the Latest Practicable Date, Gold Rainbow Int'l Limited held approximately 45.31% interest in the Company. Gold Rainbow Int'l Limited is a wholly-owned subsidiary of Gotak Limited which is in turn wholly-owned by CKH, a publicly listed company in Hong Kong. CKH is therefore the ultimate controlling shareholder of the Company. The Directors consider that, as at the Latest Practicable Date, the following interests of CKH in certain businesses may be construed as businesses which compete or may compete, either directly or indirectly, with the businesses of the Group (the "Competing Businesses").

The principal activities of the CKH Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investment in securities. The investment in securities aspect of the principal activities of the CKH Group overlaps with one of the core business activities of the Group. CKH is also interested in approximately 49.97% of HWL, a publicly listed company in Hong Kong which, together with its subsidiaries, is engaged in five core businesses being (i) ports and related services; (ii) property and hotels; (iii) retail; (iv) energy, infrastructure, finance and investments and others; and (v) telecommunications. The finance and investment aspect of the principal activities of the HWL Group overlaps with one of the core business activities of the Group. The Directors consider that each of the Group, the CKH Group and the HWL Group is required to engage in separate financial and securities investments activities as they serve as a treasury function of the relevant group.

Further, Chi-Med, a subsidiary of HWL, is engaged in the research, development, manufacture, marketing and sale of pharmaceutical and nutraceutical products based on traditional Chinese medicine and botanical chemistry. This may also be construed as a business competing with one of the core principal activities of the Group. The Directors consider that Chi-Med and the Group have different focuses in that the Group's product applications employ advanced techniques in biotechnology, whereas Chi-Med's products are derived from traditional Chinese medicine and botanical ingredients.

Finally, CKI, a subsidiary of HWL, which engages in water plant infrastructure business as part of its business, and also provides water treatment services, and Hutchison Water Holdings Limited, a subsidiary of HWL launched in May 2008 which intends to provide comprehensive water production and treatment solutions globally, may also be construed to be in competition with the Group's interest in a water plant and the bioremediation business of the Group which provides solutions to treat and manage organic waste and pollution.

Information in relation to the management of, and further details of the nature, size and scope of the Competing Businesses of, Chi-Med and CKI is available in the published annual reports of Chi-Med and CKI and the websites ([www.chi-med.com](http://www.chi-med.com) and [www.cki.com.hk](http://www.cki.com.hk)) of Chi-Med and CKI respectively.

Given (i) CKH has no statutory control over HWL or CKI and does not control the majority composition of the respective boards of HWL or CKI; and (ii) both HWL and CKI are separate listed entities, CKH has no control over the exclusion of the Competing Businesses of Chi-Med, CKI and Hutchison Water Holdings Limited from the Group. Accordingly, the Directors consider that neither the Company, nor its controlling shareholder, CKH, is in a position to control whether to include or exclude any of the Competing Businesses in or from the Group.

The Directors consider that the Group is capable of carrying on its businesses independently of, and at arm's length from, the Competing Businesses of CKH, HWL, CKI, Chi-Med and Hutchison Water Holdings Limited (the “**Other Companies**”) as (i) there is a clear separation between the Group's businesses and those of the Other Companies; (ii) the Group is not operationally or financially dependent on any of the Other Companies, or vice versa; and (iii) the Board operates independently from the boards of the Other Companies. The Directors consider the Board can operate independently from the Other Companies because (i) although there is overlap in the directorships between the Company and the Other Companies, the overlapping Directors only constitute a small minority in the boards of directors of the Other Companies and has no control over the decision making process of such boards; (ii) pursuant to the articles of association of the Company, a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which such Director or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and (iii) the Directors are fully aware of their fiduciary duties owing to the shareholders of the respective companies and their duty to avoid conflicts of interests in carrying out their respective duties as directors of the relevant companies.

The Directors further consider that the Competing Businesses are potentially complementary to the Group's core businesses, and that the Group may through possible future collaboration with the Other Companies in relation to the Competing Businesses enjoy synergistic benefits.

The Directors are not aware of any plan of the controlling shareholders of the Company to inject any of the abovementioned Competing Businesses into the Company. If there is any change in such circumstances, the Company will comply with the relevant requirements under the Listing Rules.

## 2. Directors' interests in Competing Businesses

As at the Latest Practicable Date, the interests of Directors in the Competing Businesses were as follows:

<b>Name of Director</b>	<b>Name of Company</b>	<b>Nature of Interest</b>	<b>Competing Businesses (Note 2)</b>
Li Tzar Kuoi, Victor	Cheung Kong (Holdings) Limited	Managing Director and Deputy Chairman (Note 1)	(Note 4)
	Hutchison Whampoa Limited	Executive Director and Deputy Chairman (Note 1)	(Note 3) & (Note 4)
	Cheung Kong Infrastructure Holdings Limited	Chairman (Note 1)	(Note 3) & (Note 4)
	Hongkong Electric Holdings Limited	Executive Director (Note 1)	(Note 4)
Kam Hing Lam	Cheung Kong (Holdings) Limited	Deputy Managing Director (Note 1)	(Note 4)
	Hutchison Whampoa Limited	Executive Director (Note 1)	(Note 3) & (Note 4)
	Cheung Kong Infrastructure Holdings Limited	Group Managing Director (Note 1)	(Note 3) & (Note 4)
	Hongkong Electric Holdings Limited	Executive Director	(Note 4)
Ip Tak Chuen, Edmond	Cheung Kong (Holdings) Limited	Deputy Managing Director	(Note 4)
	Cheung Kong Infrastructure Holdings Limited	Executive Director and Deputy Chairman	(Note 3) & (Note 4)
	TOM Group Limited	Non-executive Director	(Note 4)
	CATIC International Holdings Limited	Non-executive Director	(Note 4)
	Excel Technology International Holdings Limited	Non-executive Director	(Note 4)
	Shougang Concord International Enterprises Company Limited	Non-executive Director	(Note 4)
	The Ming An (Holdings) Company Limited	Non-executive Director	(Note 4)
	ARA Asset Management Limited	Non-executive Director	(Note 4)
Yu Ying Choi, Alan Abel	Ruinian International Limited	Director	(Note 3)
	Wex Pharmaceuticals Inc.	Director	(Note 3)

**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.
- 3 Research and development, manufacturing, commercialization, marketing and selling of environmental and human health products; and water business.
- 4 Investment in various financial and investment products.

For the reasons set out under the section headed “Controlling shareholders’ interests in Competing Businesses” of this announcement, and as the core business, focus, size and business strategies of each of the Group and the above companies are substantially different, the Directors consider that the Board is independent from the boards of the above companies and the Group is capable of carrying on its businesses independently of, and at arm’s length from, the businesses of such companies.

Save as disclosed above, none of the Directors or the controlling shareholders of the Company has any interests in any Competing Businesses.

**CONTINUING CONNECTED TRANSACTIONS WITH THE CKH GROUP AND THE HWL GROUP**

The Company has entered into certain continuing connected transactions with the CKH Group and the HWL Group, details of which have, pursuant to the applicable reporting requirements under the GEM Listing Rules, been disclosed in the published annual reports of the Company for the relevant reporting periods. Notwithstanding the existence of such continuing connected transactions, for the reasons set out under the section headed “Controlling shareholders’ interests in Competing Businesses” of this announcement, the Directors consider that the Group is capable of carrying on its businesses independently of, and at arm’s length from, the CKH Group and the HWL Group.

**REASONS FOR THE TRANSFER OF LISTING FROM GEM TO MAIN BOARD**

The Directors believe that the listing of the Shares on the Main Board will help to enhance the profile of the Group and increase the trading liquidity of the Shares and its attractiveness to institutional and retail investors. The Directors consider that the listing of the Shares on the Main Board will be beneficial to the future growth, capital-raising ability and business development of the Company.

The transfer of listing of the Shares on the Main Board will not involve the issue of any new Shares by the Company.

## **GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

The general mandates granted by the Shareholders to the Directors to allot and issue new Shares and repurchase Shares at the annual general meeting of the Company held on 15th May 2008 will remain valid and will continue to have effect following the transfer of listing of the Shares from GEM to Main Board until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (c) the date on which such authority set out in the relevant resolution is revoked or varied by an ordinary resolution of Shareholders in general meeting.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for viewing on the GEM website at [www.hkgem.com](http://www.hkgem.com) and on the “Investor Information” page of the Company’s website at [www.ck-lifesciences.com](http://www.ck-lifesciences.com):

1. the Directors’ report, annual report and the audited accounts of the Company for the financial year ended 31st December 2007;
2. the half-year report of the Company for the financial year ending 31st December 2008;
3. the memorandum and articles of association of the Company in force at the date of this announcement;
4. the circulars issued to the shareholders of the Company during the financial year ended 31st December 2007; and
5. other applicable announcements and corporate communications published by the Company before the date of this announcement as required under the GEM Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of directors of the Company
“CCASS”	Central Clearing and Settlement System
“Chi-Med”	Hutchison China MediTech Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Alternative Investment Market of The London Stock Exchange Plc

“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board
“CKH Group”	CKH and its subsidiaries
“CKI”	Cheung Kong Infrastructure Holdings Limited, a subsidiary of HWL and whose shares are listed on the Main Board
“Company”	CK Life Sciences Int’l., (Holdings) Inc., a company incorporated in the Cayman Islands with limited liability, whose shares are currently listed on GEM
“Competing Businesses”	has the meaning ascribed to it under the section headed “Competing Interests” in this announcement
“controlling shareholder(s)”	has the meaning ascribed to it under Chapter 1 of the Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of the Hong Kong Exchanges and Clearing Limited
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board
“HWL Group”	HWL and its subsidiaries
“Latest Practicable Date”	27th August 2008, being the latest practicable date for ascertaining certain information in this announcement
“Listing Committee”	the listing committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) which continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM



“Shares”	ordinary shares of par value of HK\$0.10 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 26th June 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For and on behalf of  
**CK Life Sciences Int’l., (Holdings) Inc.**  
**Eirene Yeung**  
*Company Secretary*

Hong Kong, 28th August 2008

*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 includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.*

*This announcement will remain on the “Latest Company Announcement” 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).*