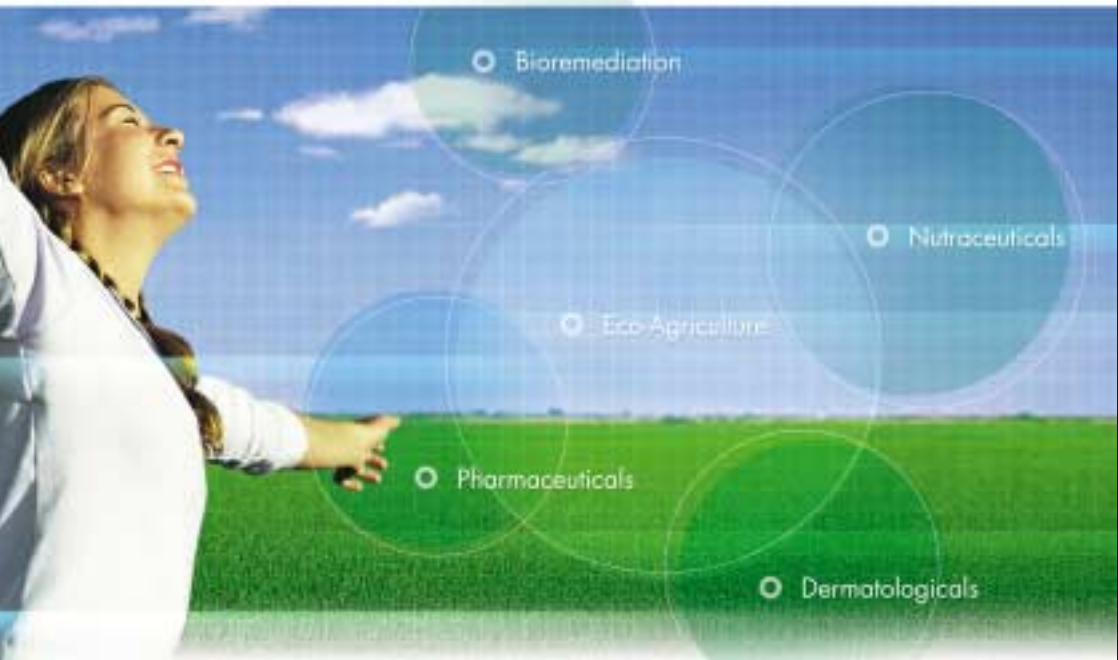




CK Life Sciences Int'l. (Holdings) Inc.

(incorporated in the Cayman Islands with limited liability)

Third Quarter Report 2003



Environment Health

Restoring Freshness to **Nature**

Bringing Quality to **Life**

Characteristics of the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

This document, 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 document is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this document misleading; and (iii) all opinions expressed in this document have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

Chairman's Statement

Great Strides in Cancer Research

I am pleased to report that CK Life Sciences Int'l., (Holdings) Inc. and its subsidiaries ("CK Life Sciences" or the "Group") recorded steady financial growth in the third quarter ended 30 September 2003. The Group reported an unaudited profit attributable to shareholders of HK\$253,000 for the quarter, a significant improvement as compared to a loss of HK\$11,079,000 recorded in the corresponding quarter last year. This reporting period represents the first quarter following the first anniversary of listing on the GEM of the Stock Exchange in July 2002. To date, not only has the Group built a solid foundation for its diversified businesses, there have been successive product launches, good financial performance and breakthroughs in R&D. The achievements are strong indications of the Group's growth momentum and promising prospects.

Financial Highlights

For the third quarter ended 30 September 2003, the Group recorded 4.2 times increase in turnover compared to the corresponding quarter last year. Increase in sales and returns from treasury management were major profit contributors.

The Group is currently undergoing rapid growth. New products have been rolled out, R&D progress accelerated and marketing activities intensified.

The Board of Directors has not declared any dividend for the period under review.

Significant Progress in Cancer Research

1) Encouraging Pre-clinical Studies

The third quarter was characterized by significant progress in cancer research. A total of 18 anti-cancer product patent applications have been submitted to the US Patent and Trademark Office, and a series of in-vitro and in-vivo pre-clinical studies conducted by The Chinese University of Hong Kong ("CUHK") for an anti-cancer product developed by the Group was completed. Results indicated that the anti-cancer product successfully activated the secretion of cytokines, such as IL-6, IL-1 β , IL-4, and γ -IFN by immune cells. Data also showed that growth of human liver cancer cells injected in mice was suppressed after the mice were fed with the product, with both the size and weight of the tumors reducing considerably. These studies demonstrated that the Group's anti-cancer product effectively enhanced and modulated immune responses, as well as suppressed the tumors' growth. Further to the encouraging results obtained earlier, our pre-clinical and clinical studies will be taken to the next stage.

Chairman's Statement (Cont'd)

2) Global Trial Programme in Six Regions, Four Continents

To accelerate the R&D of anti-cancer products, a global trial programme spanning six regions in four continents is being developed.

In addition to CUHK, the Group will collaborate with other universities and research institutions in Hong Kong and Mainland China to undertake further cancer research. Discussions are also underway with leading R&D organizations in the United States, Canada, Australia and the United Kingdom. It is anticipated that some of these research programmes could be finalized during the fourth quarter.

3) Research Prospects

Cancer is a leading cause of death in the world. According to World Health Organization figures, the number of cancer cases is increasing globally. In Hong Kong, statistics from the Department of Health Cancer Coordinating Committee reveal that cancer is the top killer with one in three deaths attributed to the disease. Despite the ferocity of the disease, a totally satisfactory treatment has yet to be developed. Current cancer treatments often cause side effects and sometimes pain to the patients. As the market potential for cancer products is sizeable, the Group's breakthrough achievements in cancer R&D have great significant commercial value. Rapid research progress in cancer, AIDS and a range of nutraceutical products has widened CK Life Sciences' R&D scope and deepened its coverage in the area of human health.

Patent Progress

The patent portfolio continues to grow as R&D advances. During the reporting period, the Group received notices of allowance from the US Patent and Trademark Office for three nutraceutical products:

- Dietary supplements for treating hyperlipemia;
- Dietary supplements beneficial for gastrointestinal system; and
- Dietary supplements for regulating male hormone.

These patents will further strengthen CK Life Sciences' edge in the nutraceutical market. With the increasing patent coverage, CK Life Sciences' patent portfolio now includes eco-agriculture and bioremediation products as well as that of nutraceuticals. As the patent portfolio diversifies, product commercialization will follow suit.

Chairman's Statement (Cont'd)

The latest status of the Group's patent applications is as follows:

	Eco-agriculture		Bio-remediation	Nutra-ceuticals	Pharma-ceuticals	Dermato-logicals	Total
	Eco-fertilizer	Animal Feed Additive					
Patent Granted	4	-	5	-	-	-	9
Patent Approved (Notice of Allowance Received)	1	-	-	3	-	-	4
Patent Pending	1	14	3	7	20	-	45
Drafting Stage	4	4	7	-	30	5	50
Total	10	18	15	10	50	5	108

Business Progress

1) NutriSmart™

There is an increase in awareness towards health globally, and the environmental and health problems caused by chemical fertilizers have become more apparent. Consumers are seeking alternative produce grown using less chemicals, and regulatory bodies are studying possibilities of reducing/restricting the usage of chemical fertilizers. This phenomenon has presented a huge opportunity for NutriSmart™, the Group's eco-fertilizer. Sales of NutriSmart™ are expected to continue to grow steadily.

2) WonderTreat™

Following the trials of WonderTreat™ for the treatment of pig manure and municipal sewage in Australia, the scope of our testing programme has been expanded to include other areas such as composting and sewage treatment for canneries and wineries. New market segments will continue to be developed to widen application channels and revenue streams for the product.

3) VitaGain™

"Immunity – enhancing" has become a household term in Hong Kong since the launch of VitaGain™ during the outbreak of SARS (Severe Acute Respiratory Syndrome). The population in general has become more health conscious and is more concerned about immunity. The Group expects that demand for immuno-enhancing products such as VitaGain™ will continue to grow.

Chairman's Statement (Cont'd)

The first product of the VitaGain™ series has been widely accepted in the market. CK Life Sciences plans to start developing markets for VitaGain™ outside Hong Kong within the year. The launch of other immuno-enhancing products is also being planned to further increase market share.

Corporate Moves

1) Strategic Acquisition

The Group acquired 50% shareholding in Jean-Marie Pharmaco Company Limited ("Jean-Marie") in the reporting quarter. Jean-Marie is the first manufacturing plant meeting GMP regulations in Hong Kong with a capability to produce injection products. It is also one of the few pharmaceutical manufacturers in Hong Kong capable of producing a full range of product formats, including tablets, capsules, oral liquid, topical ointment and cream, and injection according to GMP standards.

The acquisition facilitates the market development of the Group's healthcare products, while at the same time extending the company's activities from R&D and distribution to manufacturing. The synergy between CK Life Sciences and Jean-Marie can be further leveraged as CEPA (Closer Economic Partnership Arrangement) comes into place in the near future.

2) Supply of Products to Cheung Kong Group and Hutchison International Group

The Company has entered into two supply agreements in respect of its products with Cheung Kong (Holdings) Limited and Hutchison International Limited respectively which constitute continuing connected transactions under the GEM Listing Rules. Ordinary resolutions to approve these transactions have been passed by the independent shareholders of the Company at an extraordinary general meeting held in the reporting period. This enables the Group to take advantage of the wide distribution channels and extensive retail outlets of the Cheung Kong Group and the Hutchison International Group.

Prospects

CK Life Sciences' strong capital base provides sufficient funding for the ongoing R&D work in the pipeline. The Group's exclusive yeast technology and extensive research in immunity enhancement have led to the development of various human health related products, such as those for the treatment of HIV/AIDS and cancer. Capitalizing on the technology platform and the experience, the Group expects to develop and launch more nutraceutical products into the market in the near future.

Chairman's Statement (Cont'd)

Acknowledgements

I am pleased with the breakthrough achievements in different aspects for the Group, to which management and staff have devoted a great deal of time and effort. I would like to express my appreciation for their hard work. I would also like to show my gratitude to shareholders for their continuing support.

Li Tzar Kuoi, Victor

Chairman

Hong Kong, 31 October 2003

Consolidated Income Statement

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2003 (unaudited) HK\$'000	2002 (unaudited) HK\$'000	2003 (unaudited) HK\$'000	2002 (unaudited) HK\$'000
Turnover	2	7,602	1,456	19,623	1,888
Cost of sales		(5,484)	(1,043)	(13,213)	(1,375)
Gross profit		2,118	413	6,410	513
Other revenue	3	43,854	30,076	146,053	30,155
Staff costs	4	(23,638)	(20,127)	(71,944)	(49,022)
Depreciation		(5,047)	(4,410)	(14,985)	(11,596)
Amortization of intangible assets		(777)	(172)	(2,166)	(488)
Operating expenses		(16,298)	(16,928)	(62,796)	(30,127)
Profit/(loss) from operations		212	(11,148)	572	(60,565)
Share of results of associates		8	-	46	-
Profit/(loss) before taxation		220	(11,148)	618	(60,565)
Taxation	5	-	38	-	38
Profit/(loss) after taxation		220	(11,110)	618	(60,527)
Minority interests		33	31	113	80
Profit/(loss) attributable to shareholders		253	(11,079)	731	(60,447)
Earnings/(loss) per share	6				
- basic (Hong Kong cents)		0.0039 cent	(0.1788 cent)	0.0114 cent	(1.1053 cents)
- diluted (Hong Kong cents)		0.0039 cent	N/A	0.0114 cent	N/A

Consolidated Income Statement (Cont'd)

Notes:

1. Basis of preparation and principal accounting policies

The unaudited consolidated results of the Group have been prepared in accordance with accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the GEM Listing Rules. They have also been prepared under the historical cost convention, as modified for the revaluation of certain fixed assets and investment in securities.

The accounting policies used in preparing the unaudited consolidated results are consistent with those used in the Group's annual financial statements for the year ended 31 December 2002, except for the changes due to adoption of the new and revised Hong Kong Statements of Standard Accounting Practice ("SSAPs") which have become effective since 1 January 2003. The adoption of these new and revised SSAPs has no material impact on the Group's results.

The Group reorganized its structure in 2002 for listing of the Company's shares on the GEM of the Stock Exchange. In accordance with the SSAP 27 "Accounting for Group Reconstructions", the results of the Group for the year 2002 have been prepared on the merger accounting basis as if the current structure of the Group had been in existence throughout the year.

2. Turnover

Turnover represents the net amount received and receivable from sales of eco-agriculture products – fertilizers and nutraceutical products.

3. Other revenue

Other revenue comprises mainly income from bank deposits and investments in financial instruments.

Consolidated Income Statement (Cont'd)

4. Staff costs

Staff costs which include salaries, bonuses, retirement benefit scheme contribution and recruitment costs for the three months and nine months ended 30 September 2003 respectively amounted to HK\$27,928,000 (2002: HK\$24,292,000) and HK\$85,240,000 (2002: HK\$60,449,000) of which HK\$4,290,000 (2002: HK\$4,165,000) and HK\$13,296,000 (2002: HK\$11,427,000) relating to development activities were capitalized.

5. Taxation

No provision for Hong Kong profits tax has been made as there was no assessable profit for the three months and the nine months respectively ended 30 September 2003 as well as the corresponding periods of last year. The credit balances in 2002 represent the written-back of the over provision of taxation made in prior year.

A deferred tax asset has not been recognized in the aforesaid periods in respect of tax losses available to offset future profits as there is no immediate plan to utilize the tax losses in the foreseeable future.

Consolidated Income Statement (Cont'd)

6. Earnings/(loss) per share

The calculations of the basic and diluted earnings/(loss) per share are based on the following data:

	For the three months ended 30 September		For the nine months ended 30 September	
	2003 HK\$'000	2002 HK\$'000	2003 HK\$'000	2002 HK\$'000
Profit/(loss) for the period				
Profit/(loss) for calculating basic and diluted earnings/(loss) per share	253	(11,079)	731	(60,447)
Number of shares				
Weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share	6,407,000,000	6,193,902,174	6,407,000,000	5,468,641,026
Effect of dilutive potential ordinary shares	623,037	N/A	972,230	N/A
Weighted average number of ordinary shares used in the calculation of diluted earnings/(loss) per share	6,407,623,037	N/A	6,407,972,230	N/A

No diluted loss per share is presented for the three months and nine months respectively ended 30 September 2002 as the effect on the exercise of the share options granted by the Company is anti-dilutive.

7. Dividend

No dividend has been declared by the Board of Directors for the nine months ended 30 September 2003 (2002: Nil).

Consolidated Income Statement (Cont'd)

8. Movements of reserves

	Share premium HK\$'000	Investment revaluation reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
2002					
At 1 January 2002	-	-	-	(195,425)	(195,425)
Surplus on revaluation of investments in securities	-	25,158	-	-	25,158
Loss for the nine months ended 30 September 2002	-	-	-	(60,447)	(60,447)
Capitalization of loan due to immediate holding company	522,151	-	-	-	522,151
Share issue on capitalization of share premium	(509,993)	-	-	-	(509,993)
Net proceeds from issue of shares	2,379,509	-	-	-	2,379,509
At 30 September 2002	2,391,667	25,158	-	(255,872)	2,160,953
2003					
At 1 January 2003	2,391,662	46,042	-	(284,320)	2,153,384
Realized on disposal/redemption of investments in securities	-	(11,579)	-	-	(11,579)
Surplus on revaluation of investments in securities	-	49,233	-	-	49,233
Exchange difference on translation of financial statements of overseas operations	-	-	233	-	233
Profit for the nine months ended 30 September 2003	-	-	-	731	731
At 30 September 2003	2,391,662	83,696	233	(283,589)	2,192,002

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 September 2003, 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 Rules 5.40 to 5.58 of the GEM Listing Rules, 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	1,500,000	-	-	2,820,008,571 (Note 1)	2,821,508,571	44.04%
Kam Hing Lam	Interest of child or spouse	-	4,150,000	-	-	4,150,000	0.06%
Ip Tak Chuen, Edmond	Beneficial owner	1,500,000	-	-	-	1,500,000	0.02%
Yu Ying Choi, Alan Abel	Beneficial owner	1,500,000	-	-	-	1,500,000	0.02%
Pang Shiu Fun	Beneficial owner & interest of child or spouse	1,500,700 (Note 2)	700 (Note 2)	-	-	1,500,700	0.02%
Chu Kee Hung	Beneficial owner	1,500,000	-	-	-	1,500,000	0.02%
Lam Hing Chau, Leon	Beneficial owner	1,250,000	-	-	-	1,250,000	0.02%
Kwan Chiu Yin, Robert	Interest of a controlled corporation	-	-	500,000 (Note 3)	-	500,000	0.01%
Peter Peace Tulloch	Beneficial owner	700,000	-	-	-	700,000	0.01%
Wong Yue-chim, Richard	Beneficial owner	250,000	-	-	-	250,000	≈0%
Kwok Eva Lee	Beneficial owner	200,000	-	-	-	200,000	≈0%

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

Notes:

1. Such 2,820,008,571 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 and Li Ka-Shing Unity Trustcorp Limited ("TDT2") as trustee of another discretionary trust 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 2,820,008,571 shares held by the subsidiary of Cheung Kong Holdings under the SFO.
2. Such interests comprise the same block of 700 shares jointly held by Dr. Pang Shiu Fun and his wife.
3. Such shares are held by a company wholly-owned by Mr. Kwan Chiu Yin, Robert.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

(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 September 2003 were as follows:

Name of Director	Date of grant	Number of share options				Outstanding as at 30 September 2003	Option period	Subscription price per share HK\$
		Outstanding as at 1 January 2003	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period			
Yu Ying Choi, Alan Abel	30/9/2002	310,000	-	-	-	310,000	30/9/2003 – 29/9/2012	1.598
	27/1/2003	-	690,000	-	-	690,000	27/1/2004 – 26/1/2013	1.446
Pang Shiu Fun	30/9/2002	310,000	-	-	-	310,000	30/9/2003 – 29/9/2012	1.598
	27/1/2003	-	690,000	-	-	690,000	27/1/2004 – 26/1/2013	1.446
Chu Kee Hung	30/9/2002	310,000	-	-	-	310,000	30/9/2003 – 29/9/2012	1.598
	27/1/2003	-	690,000	-	-	690,000	27/1/2004 – 26/1/2013	1.446
Lam Hing Chau, Leon	30/9/2002	222,000	-	-	-	222,000	30/9/2003 – 29/9/2012	1.598
	27/1/2003	-	480,000	-	-	480,000	27/1/2004 – 26/1/2013	1.446

Save as disclosed above, during the nine months ended 30 September 2003, none of the Directors or their respective associates was granted share options to subscribe for shares of the Company, nor had exercised such rights.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

Save as disclosed above, none of the Directors or chief executive of the Company had, as at 30 September 2003, 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 Rules 5.40 to 5.58 of the GEM Listing Rules.

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 September 2003, options to subscribe for an aggregate of 13,278,000 shares of the Company granted to certain continuous contract employees (including the Executive Directors of the Company as disclosed above and the management shareholder as disclosed below) pursuant to the Share Option Scheme were outstanding, details of which were as follows:

Date of grant	Number of share options						Option period	Subscription price per share HK\$
	Outstanding as at 1 January 2003	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 September 2003		
30/9/2002	4,186,000	-	-	158,000	-	4,028,000	30/9/2003 - 29/9/2012	1.598 (Note 1)
27/1/2003	-	9,628,000	-	378,000	-	9,250,000	27/1/2004 - 26/1/2013	1.446 (Note 2) (Note 3)

Details of the share options granted to Mr. Cheung Ling Yuk, Larry, a management shareholder of the Company, pursuant to the Share Option Scheme as at 30 September 2003 were as follows:

Date of grant	Number of share options						Option period	Subscription price per share HK\$
	Outstanding as at 1 January 2003	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30 September 2003		
30/9/2002	316,000	-	-	-	-	316,000	30/9/2003 - 29/9/2012	1.598 (Note 1)
27/1/2003	-	580,000	-	-	-	580,000	27/1/2004 - 26/1/2013	1.446 (Note 2) (Note 3)

Details of Options Granted by the Company (Cont'd)

Notes:

1. The options are exercisable from 30 September 2003 to 29 September 2012 (both days inclusive) subject to the following vesting period:
 - (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 period:
 - (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 closing price of the shares of the Company immediately before the date on which the options were granted is HK\$1.43.

Interests and Short Positions of Shareholders Discloseable under the SFO

So far as is known to any Director or chief executive of the Company, as at 30 September 2003, 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 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	2,820,008,571	44.01%
Gotak Limited	Interest of a controlled corporation	2,820,008,571 (Note i)	44.01%
Cheung Kong (Holdings) Limited	Interest of controlled corporations	2,820,008,571 (Note ii)	44.01%
Li Ka-Shing Unity Trustee Company Limited as trustee of The Li Ka-Shing Unity Trust	Trustee	2,820,008,571 (Note iii)	44.01%
Li Ka-Shing Unity Trustee Corporation Limited as trustee of The Li Ka-Shing Unity Discretionary Trust	Trustee & beneficiary of a trust	2,820,008,571 (Note iii)	44.01%
Li Ka-Shing Unity Trustcorp Limited as trustee of another discretionary trust	Trustee & beneficiary of a trust	2,820,008,571 (Note iii)	44.01%
Trueway International Limited	Beneficial owner	1,410,004,286	22.01%
Tangiers Enterprises Limited	Interest of controlled corporations	1,880,005,715 (Note iv)	29.34%
Li Ka-shing	Founder of discretionary trusts & interest of controlled corporations	4,700,014,286 (Note v)	73.36%

Interests and Short Positions of Shareholders Discloseable under the SFO (Cont'd)

(2) Long positions of other persons in the shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Triluck Assets Limited	Beneficial owner	470,001,429	7.34%
Cheung Ling Yuk, Larry	Beneficial owner	401,585,714	6.27%

(Note vi)

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 The Li Ka-Shing Unity Discretionary Trust and TDT2 as trustee of another discretionary trust 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 The Li Ka-Shing Unity Discretionary Trust and TDT2 as trustee of another discretionary trust 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. Trueway International Limited ("Trueway") and Triluck Assets Limited ("Triluck") are wholly-owned by Tangiers Enterprises Limited ("Tangiers") and Tangiers is deemed to be interested in a total of 1,880,005,715 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.
- v. This represents the aggregate of the blocks of shares in the Company in which Tangiers and Cheung Kong Holdings are respectively deemed to be interested under the SFO. As Mr. Li Ka-shing owns the entire issued share capital of Tangiers and 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, under the SFO, Mr. Li Ka-shing is deemed to be interested in the same number of shares in which both Tangiers and Cheung Kong Holdings are deemed to be interested as mentioned above.
- vi. The interests of Mr. Cheung Ling Yuk, Larry in the share options granted by the Company are separately disclosed under the section headed "Details of Options Granted by the Company".

Save as disclosed above, as at 30 September 2003, 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 nine months ended 30 September 2003, 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 were as follows:

Name of Director	Name of Company	Nature of Interest
Li Tzar Kuoi, Victor	Cheung Kong (Holdings) Limited	Managing Director and Deputy Chairman (Note)
	Hutchison Whampoa Limited	Deputy Chairman (Note)
Kam Hing Lam	Cheung Kong (Holdings) Limited	Deputy Managing Director (Note)
	Hutchison Whampoa Limited	Executive Director (Note)
Ip Tak Chuen, Edmond	Cheung Kong (Holdings) Limited	Executive Director
Name of Management Shareholder	Name of Company	Nature of Interest
Li Ka-shing	Cheung Kong (Holdings) Limited	Chairman (Note)
	Hutchison Whampoa Limited	Chairman (Note)

Note: Apart from holding of the directorship in each of Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited, Mr. Li Ka-shing, 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 Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited.

Both Cheung Kong (Holdings) Limited and Hutchison Whampoa Limited engage in a wide range of businesses and investments which include, inter alia, health care, dietary supplement businesses and/or research, development, manufacture, marketing and/or sale of pharmaceutical and nutraceutical products through their subsidiaries, associated companies or by way of other forms of investments. The disclosure herein above is made on the basis that there might be a chance that such businesses might have competed, either directly or indirectly, with those of the Group under Rule 11.04 of the GEM Listing Rules.

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 with the business of the Group.

Sponsor's Interests

Pursuant to a sponsor's agreement dated 3 July 2002 between the Company and Citigroup Global Markets Asia Limited ("Citigroup"), Citigroup has been appointed as a sponsor to the Company as required under the GEM Listing Rules at a fee from 16 July 2002 to 31 December 2004.

As notified to the Company by Citigroup, as at 30 September 2003, neither Citigroup, its directors, employees nor their associates had any interests in any securities of the Company or any of its associated corporations.

Audit Committee

The Company established an audit committee on 26 June 2002 with written terms of reference based on the guidelines recommended by the Hong Kong Society of Accountants. The audit committee comprises two Independent Non-executive Directors of the Company, namely Professor Wong Yue-chim, Richard who is the Chairman of such committee, and Mrs. Kwok Eva Lee.

The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Company.

The audit committee has already reviewed the Group's unaudited results for the nine months ended 30 September 2003.

Purchase, Sale or Redemption of the Company's Listed Securities

During the nine months ended 30 September 2003, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

This third quarter report 2003 (in both English and Chinese versions) ("Q3 Report") has been posted on the Company's website at <http://www.ck-lifesciences.com>. Shareholders who have chosen to rely on copies of the Company's Corporate Communication (including but not limited to Annual Report, summary financial report (where applicable), Half-year Report, Quarter Report, notice of meeting, listing document and circular) posted on the Company's website in lieu of the printed copies thereof may request the printed copy of the Q3 Report.

Shareholders who have chosen to receive the Corporate Communication using electronic means through the Company's website and who for any reason have difficulty in receiving or gaining access to the Q3 Report posted on the Company's website will promptly upon request be sent the Q3 Report in printed form free of charge.

Shareholders may at any time choose to change your choice as to the means of receipt (i.e. in printed form or by electronic means through the Company's website) and/or the language of the Company's Corporate Communication by notice in writing to the Company's Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Shareholders who have chosen to receive printed copy of the Corporate Communication in either English or Chinese version will receive both English and Chinese versions of this Q3 Report since both languages are bound together into one booklet.