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**HONG KONG HEALTH CHECK AND
LABORATORY HOLDINGS COMPANY LIMITED**
香港體檢及醫學診斷控股有限公司*
(incorporated in Bermuda with limited liability)
(Stock code: 397)



TOWN HEALTH INTERNATIONAL HOLDINGS COMPANY LIMITED
康健國際控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock code: 8138)

CLARIFICATION ANNOUNCEMENT

This announcement is made in order to clarify certain information contained in the Announcement.

Reference is made to the announcement jointly issued by Hong Kong Health Check and Laboratory Holdings Company Limited (“HKHC”) and Town Health International Holdings Company Limited (“Town Health”) dated 11 April 2007 (the “Announcement”). Capitalised terms used herein shall have the same meaning as those defined in the Announcement, unless the context otherwise requires.

The HKHC Directors would like to clarify that there were certain errors in the Announcement. The owner of BIO Garden Inc. should be “Kam Yuen” instead of “Kong Kam Yu Sammy”. Accordingly the note 2 to the Places under the section headed “The Tranche I Placing Agreement” should be read as follows:

“BIO Garden Inc. is incorporated in the British Virgin Islands, which is wholly owned by Kam Yuen, who is a third party independent of HKHC and its connected person (as defined in Listing Rules).”

The HKHC Directors would also like to clarify that under the Tranche I Placing, 18,000,000 HKHC Shares would be allocated to BIO Garden Inc. instead of 2,000,000 HKHC Shares, and 2,000,000 HKHC Shares would be allocated to Kong Kam Yu Sammy instead of 18,000,000 HKHC Shares. Accordingly the shareholding structure of HKHC and note 4 to the shareholding tables under the section headed “Shareholding structure of HKHC” should be read as follows:

	As at the date of this announcement		Upon completion of the Tranche I Placing		Upon completion of the Tranche I Placing and the Tranche II Placing		Upon completion of the Tranche I Placing, the Tranche II Placing and assuming all TA Convertible Bonds are converted in full		Upon Completion of the Tranche I Placing, the Tranche II Placing and assuming all TA Convertible Bonds and Convertible Bond II are converted in full	
	HKHC Shares	Approximate %	HKHC Shares	Approximate %	HKHC Shares	Approximate %	HKHC Shares	Approximate %	HKHC Shares	Approximate %
Top Act Group Limited							1,463,414,634	30.03	3,463,414,634	50.39
Choi Ka Yee Crystal (Note 1)	100,000,000	3.80	100,000,000	3.51	100,000,000	2.93	100,000,000	2.05	100,000,000	1.46
Public:										
Best China Limited (Note 2)			130,000,000	4.56	130,000,000	3.81	130,000,000	2.67	130,000,000	1.89
More Distribution Limited (Note 3)			70,000,000	2.46	70,000,000	2.05	70,000,000	1.44	70,000,000	1.02
BIO Garden Inc. (Note 4)			18,000,000	0.63	18,000,000	0.53	18,000,000	0.37	18,000,000	0.26
Kong Kam Yu Sammy			2,000,000	0.07	2,000,000	0.06	2,000,000	0.04	2,000,000	0.03
ABN AMRO Bank N.V. (London Branch)					180,000,000	5.28	180,000,000	3.69	180,000,000	2.62
Galaxy Asset Management (HK) Limited					180,000,000	5.28	180,000,000	3.69	180,000,000	2.62
Atlantis Investment Management Limited (Note 5)					160,000,000	4.69	160,000,000	3.28	160,000,000	2.32
China Assets (Holdings) Limited (Note 6)					40,000,000	1.17	40,000,000	0.82	40,000,000	0.58
Holder of Convertible Bonds I (Note 7)										
Other public HKHC Shareholders	2,529,771,468	96.20	2,529,771,468	88.77	2,529,771,468	74.20	2,529,771,468	51.92	2,529,771,468	36.81
Sub-total (Notes 8&9)	2,529,771,468	96.20	2,749,771,468	96.49	3,309,771,468	97.07	3,309,771,468	67.92	3,309,771,468	48.15
Total	2,629,771,468	100.00	2,849,771,468	100.00	3,409,771,468	100.00	4,873,186,102	100.00	6,873,186,102	100.00

	Upon completion of the Tranche I Placing, the Tranche II Placing and assuming all Convertible Bonds I are converted in full		Upon completion of the Tranche I Placing, the Tranche II Placing and assuming all Convertible Bond II are converted in full		Upon completion of the Tranche I Placing, the Tranche II Placing, assuming all Convertible Bonds I and Convertible Bond II are converted in full		Tranche II Placing, and assuming all Convertible Bonds I and Convertible Bond II and TA Convertible Bonds are converted in full	
	Approximate		Approximate		Approximate		Approximate	
	HKHC Shares	%	HKHC Shares	%	HKHC Shares	%	HKHC Shares	%
Top Act Group Limited	–	–	2,000,000,000	36.97	2,000,000,000	31.20	3,463,414,634	43.99
Choi Ka Yee Crystal (Note 1)	100,000,000	2.27	100,000,000	1.85	100,000,000	1.56	100,000,000	1.27
Public:								
Best China Limited (Note 2)	130,000,000	2.95	130,000,000	2.40	130,000,000	2.03	130,000,000	1.65
More Distribution Limited (Note 3)	70,000,000	1.59	70,000,000	1.29	70,000,000	1.09	70,000,000	0.89
BIO Garden Inc. (Note 4)	18,000,000	0.41	18,000,000	0.33	18,000,000	0.28	18,000,000	0.23
Kong Kam Yu Sammy	2,000,000	0.05	2,000,000	0.04	2,000,000	0.03	2,000,000	0.03
ABN AMRO Bank N.V. (London Branch)	180,000,000	4.08	180,000,000	3.33	180,000,000	2.81	180,000,000	2.29
Galaxy Asset Management (HK) Limited	180,000,000	4.08	180,000,000	3.33	180,000,000	2.81	180,000,000	2.29
Atlantis Investment Management Limited (Note 5)	160,000,000	3.63	160,000,000	2.96	160,000,000	2.50	160,000,000	2.03
China Assets (Holdings) Limited (Note 6)	40,000,000	0.91	40,000,000	0.74	40,000,000	0.62	40,000,000	0.51
Holders of Convertible Bonds I (Note 7)	1,000,000,000	22.67	–	–	1,000,000,000	15.60	1,000,000,000	12.70
Other public HKHC Shareholders	2,529,771,468	57.36	2,529,771,468	46.76	2,529,771,468	39.47	2,529,771,468	32.12
Sub-total (Notes 8&9)	4,309,771,468	97.73	3,309,771,468	61.18	4,309,771,468	67.24	4,309,771,468	54.74
Total	4,409,771,468	100.00	5,409,771,468	100.00	6,409,771,468	100.00	7,873,186,102	100.00

Notes to tables 1 and 2

- Miss Choi Ka Yee, Crystal, is a HKHC Director. Her interest is held through her wholly-owned company, Central View International Limited.
- Best China Limited is beneficially owned by Mrs. Chu Yuet Wah, a third party independent of HKHC and its connected person (as defined in Listing Rules).
- More Distribution Limited is beneficially owned by Ms. Wang Chao, Julia, a third party independent of HKHC and its connected person (as defined in Listing Rules).
- BIO Garden Inc. is incorporated in the British Virgin Islands, which is wholly owned by Kam Yuen, who is a third party independent of HKHC and its connected person (as defined in Listing Rules).
- Atlantis Investment Management Limited will be placed by a sub-placing agent. The beneficial owner of Atlantis Investment Management Limited is Atlantis China Fortune Fund which is a public listed fund registered in Dublin.
- China Assets (Holdings) Limited (stock code: 170) is a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the main board of the Stock Exchange.
- The Placees of the Convertible Bonds I are yet to be determined, the Placing Agent shall procure that each of the Placees of the Convertible Bonds I to be placed, will be a third party independent of HKHC and its connected persons (as defined in the Listing Rules) and not acting in concert with any of Town Health, Top Act, Dr. Choi or Miss Choi Ka Yee, Crystal. It is expected that there will be no substantial shareholders to be placed with the Convertible Bonds I.
- Such Tranche I Placing Shares and Tranche II Placing Shares would be allotted and issued upon completion of the respective Tranche I Placing and Tranche II Placing.
- None of the Placees of Tranche I Placing and Tranche II Placing will become a substantial shareholder of HKHC after the completion of Tranche I Placing and Tranche II Placing.

Save as disclosed above, the HKHC Directors and Town Health Directors confirm that all the information and figures relating to their respective companies as contained in the Announcement are correct in all material aspects.

By order of the HKHC Board
**Hong Kong Health Check and Laboratory
Holdings Company Limited**
Siu Kam Chau
Executive HKHC Director

By order of the board
**Town Health International
Holdings Company Limited**
Choi Ka Yee, Crystal
Chairman

Hong Kong, 17 April 2007

* *for identification purpose only*

As at the date of this announcement, the board of Town Health comprises four executive Town Health Directors, namely Miss Choi Ka Yee, Crystal, Dr. Cho Kwai Chee, Mr. Cho Kwai Yee, Kevin and Dr. Fung Yiu Tong, Bennet; one non-executive Town Health Director namely Dr. Francis Choi Chee Ming JP; and three independent non-executive Town Health Directors namely Mr. Chan Kam Chiu, Mr. Wai Kwok Hung JP and Mr. Ho Kwok Wah, George.

At the date of this announcement, the HKHC Board comprises five executive HKHC Directors, namely Dr. Fung Yiu Tong, Bennet, Mr. Lee Chik Yuet, Mr. Cho Kwai Yee, Kevin, Miss. Choi Ka Yee, Crystal and Mr. Siu Kam Chau and three independent non-executive HKHC Directors namely Mr. Chan Chi Yuen, Mr. Lo Chun Nga and Mr. Chik Chi Man.

The HKHC Directors collectively and individually, and jointly and severally, accept full responsibility, includes particulars given in compliance with the Takeovers Code and the Listing Rules for the accuracy of the information contained in this announcement, other than that relating to Town Health, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those relating to Town Health, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

The Town Health Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to HKHC, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than those relating to HKHC, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

This announcement, for which the Town Health Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to Town Health. The Town Health Directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcements 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 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.

This announcement will remain to be published on the page headed "Latest Company Announcement" of the GEM website at <http://www.hkgem.com> for at least 7 days from its date of publication and on the website of Town Health at <http://www.townhealth.com>.