WO KEE HONG (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 720)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached Form 10-Q, the quarterly report for the period ended June 30, 2008 filed on August 12, 2008 (US time) by China Premium Lifestyle Enterprise, Inc., an associated company of the Company whose shares are traded on the Over-The-Counter Bulletin Board in the United States of America.

As at the date of this announcement, the Board comprises Mr. Richard Man Fai LEE (Executive Chairman and Chief Executive Officer), Mr. Jeff Man Bun LEE, Mr. Tik Tung WONG and Waison Chit Sing HUI, all of whom are executive Directors, Ms. Kam Har YUE, who is a non-executive Director, Mr. Boon Seng TAN, Mr. Raymond Cho Min LEE and Mr. Ying Kwan CHEUNG, all of whom are independent non-executive Directors.

Hong Kong, August 12, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2008

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission File No. 333-120807

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC.
(Exact name of Registrant as specified in its charter)

Nevada	**11-3718650**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

10/F, Wo Kee Hong Building
585-609 Castle Peak Road
Kwai Chung, N.T. Hong Kong
(Address of principal executive offices)

(852) 2954-2469
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. (See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act):

Large Accelerated Filer o Accelerated Filer o Non-Accelerated Filer x Smaller Reporting Company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

The number of shares of Common Stock outstanding as of August 1, 2008 was 29,104,110.

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC.
FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2008

TABLE OF CONTENTS

PART I: FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements.

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2008 AND
FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2008

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2008 (unaudited)	December 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,925,848	$ 6,583,566
Restricted cash	1,154,157	1,154,226
Trade receivables, net of provision	6,562,508	10,440,455
Inventory, net	16,364,246	9,162,934
Prepayments	1,827,482	1,602,793
Other current assets	5,298,280	2,931,877
Amounts due from affiliates	11,727,114	10,226,161
T otal current assets	47,859,635	42,102,012
Property and equipment, net	1,960,326	2,050,850
Goodwill	39,488	39,436
TOTAL ASSETS	$ 49,859,449	$ 44,192,298
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 4 ,485,011	$ 5,274,838
Obligations under finance lease - current portion	-	110,996
Bills payable	2,018,140	2,659,191
Trade payables	3,506,099	1,063,265
Deposits received	22,738,830	16,306,698
Other current liabilities	3,168,471	7,088,429
Amounts due to affiliates	2,418,124	1,457,134
TOTAL LIABILITIES	38,334,675	33,960,551
Minority interests	5,921,039	4,918,636
Commitments and Contingencies		
Stockholders' equity		
Preferred stock		
Authorized: 100,000,000 preferred stock, par value $0.001		
Issued and outstanding: 247,798 shares as at June 30, 2008; (495,791 shares as at December 31, 2007)	248	496
Common stock		
Authorized: 400,000,000 common stock, par value $0.005		
Issued and outstanding: 29,104,110 shares as at June 30, 2008; (24,534,491 shares as at December 31, 2007)	145,521	122,672
Additional paid-in-capital	5,558,888	5,581,489
Accumulated other comprehensive income	248,445	118,892
Accumulated deficit	(349,367)	(510,438)
TOTAL STOCKHOLDERS' EQUITY	5,603,735	5,313,111
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 49,859,449	$ 44,192,298

The accompanying notes are an integral part of these condensed consolidated financial statements.

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three months ended June 30,		Six months ended June 30,	
	2008	**2007**	**2008**	**2007**
Sales:				
New and used vehicles	$ 29,565,593	$ 23,646,806	$ 49,479,009	$ 39,470,781
Parts and services and others	1,682,337	1,469,599	3,215,748	2,656,267
Net sales	31,247,930	25,116,405	52,694,757	42,127,048
Cost of sales:				
New and used vehicles	(25,574,673)	(20,995,511)	(43,059,955)	(35,145,314)
Parts and services and others	(472,994)	(426,763)	(972,660)	(768,862)
Total cost of sales	(26,047,667)	(21,422,274)	(44,032,615)	(35,914,176)
Gross profit:				
New and used vehicles	3,990,920	2,651,295	6,419,054	4,325,467
Parts and services and others	1,209,343	1,042,836	2,243,088	1,887,405
Total gross profit	5,200,263	3,694,131	8,662,142	6,212,872
Selling, general and administrative expenses	(4,469,773)	(2,977,660)	(8,243,250)	(5,612,769)
Operating earnings	730,490	716,471	418,892	600,103
Other income (expenses)				
Interest expenses	(128,957)	(244,693)	(260,720)	(421,980)
Share of result of an associate	-	(38,168)	-	(78,060)
Other income	683,742	394,489	1,005,302	484,832
Total other income (expenses)	554,785	111,628	744,582	(15,208)
Earnings before minority interests and income taxes	1,285,275	828,099	1,163,474	584,895
Provision for income taxes	-	-	-	-
Earnings before minority interests	1,285,275	828,099	1,163,474	584,895
Minority interests	(894,884)	(439,501)	(1,002,403)	(456,296)
Net earnings	$ 390,391	$ 388,598	$ 161,071	$ 128,599
Earnings per share				
Basic	$ 0.0134	$ 0.0165	$ 0.0059	$ 0.0087
Diluted	$ 0.0115	$ 0.0119	$ 0.0050	$ 0.0053
Weighted average number of common stock outstanding				
Basic	29,104,110	23,457,096	27,020,163	14,764,871
Diluted	33,673,729	32,596,332	31,589,782	23,904,107

The accompanying notes are an integral part of these condensed consolidated financial statements.

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six months ended June 30, 2008	Six months ended June 30, 2007
Operating activities:		
Net earnings	$ 161,071	$ 128,599
Adjustments to reconcile net earnings to net cash provided by operating activities		
Minority interests	1,002,403	456,296
Depreciation and amortization	404,026	348,183
Disposal of property and equipment	(130,168)	-
Provision for bad debts and bad debts written off / (bad debts written back)	(28,635)	21,607
Provision for inventory written back	-	(8,967)
Equity earnings of an associate	-	78,060
Other non-cash items	110,521	28,959
Changes in operating assets and liabilities:		
Trade receivables	3,906,582	5,662,411
Other current assets and prepayments	(2,591,092)	(502,848)
Inventory	(7,201,312)	(4,803,833)
Trade payables	2,442,834	1,245,068
Other current liabilities and deposits received	2,512,174	664,012
Net cash provided by operating activities	588,404	3,317,547
Investing activities:		
Purchases of property and equipment	(495,143)	(73,856)
Proceeds from disposal of property and equipment	330,858	-
Net cash used in investing activities	(164,285)	(73,856)
Financing activities:		
Advances to affiliates	(539,963)	(4,745,629)
Advances to an associate	-	(612,829)
Decrease in borrowings and bills payable	(1,541,874)	(914,253)
Net cash used in financing activities	(2,081,837)	(6,272,711)
Decrease in cash and cash equivalents	(1,657,718)	(3,029,020)
Cash and cash equivalents at beginning of the period	6,583,566	3,475,635
Cash and cash equivalents at end of the period	$ 4,925,848	$ 446,615
Supplemental disclosure of cash flows information:		
Cash paid for:		
Interest	$ 260,720	$ 421,980

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTE 1. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

Basis of presentation

The condensed consolidated financial statements include the accounts of China Premium Lifestyle Enterprise, Inc. (the "Company") and its subsidiaries. The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. All significant intercompany transactions and balances have been eliminated.

The condensed consolidated financial statements are unaudited and, in our opinion, include all adjustments, consisting of normal recurring adjustments and accruals necessary for a fair representation of our condensed consolidated balance sheets, operating results, and cash flows for the periods presented. Operating results for the periods presented are not necessarily indicatives of the results that may be expected for 2008. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted in accordance with the rules and regulations of the Securities and Exchange Commission (the "SEC"). The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompany notes included in the 2007 annual report on Form 10-K.

Use of estimates

The preparation of the condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods. Management makes it best estimate of the outcome for these items based on historical trends and other information available when the condensed consolidated financial statements are prepared. Changes in estimates are recognized in accordance with the accounting principles for the estimate, which is typically in the period when new information becomes available to management. Management believes the most significant estimates affecting the condensed consolidated financial statements include provision for bad debts, provision for inventory write-off, and accounting for income taxes. Actual results could differ from those estimates.

Earnings per share

Basic earnings per share is computed by dividing net operating results for the reporting period attributable to common stockholders by the weighted average number of common stocks outstanding during the period. Diluted earnings per share is calculated by dividing net operating results for the reporting period attributable to common stockholders by the weighted average number of common stocks outstanding and the dilutive effect of common stock equivalents.

Segment reporting

The Company determines and classified its operating segments in accordance SFAS No. 132 Disclosures About Segments of An Enterprise and Related Information. The Company identified and classifies its operating segments based on the nature of the products and services with similar economic characteristics. The Company's reportable segment is motor vehicles retailing, which includes sales of new and used vehicles, provision of vehicle maintenance and repair services, and sales of vehicle parts.

Reclassifications

Certain financial statement line items have been reclassified to conform to the current period presentation and have no impact on the previously reported consolidated net sales, operating results, or net financial position.

NOTE 2. CONCENTRATION OF RISK

Concentration of supplier risk

Our Company relies on supplies from numerous vendors. For the three months and six months ended June 30, 2008 and 2007, the Company had two vendors that each accounted for more than 10% of total supply purchases. If any of the vendors terminate their relationships with our Company or if our Company's supply from the vendors is interrupted or terminated for any reason, we may not have sufficient time to replace the supply of products from the remaining vendors. Any such interruption would negatively impact our ability to sell and distribute our products. In addition, the suppliers' concentration of risk pose effect to the concentration of risk with respect to trade payables as the Company has made certain of the purchases through credits provided by vendors.

Concentration of risk due to geographic location

Our Company's business, assets and operations is currently focused on the sales of new and used vehicles, provision of vehicle maintenance and repair services, and sales of vehicle parts in Hong Kong and is currently expanding its operations to People Republic of China ("PRC"), and accordingly, is affected to a significant degree by any economic, political and legal developments in Hong Kong and PRC.

NOTE 3. RECENT ACCOUNTING PRONOUNCEMENTS

In September 2006, the Financial Accounting Standards Board ("FASB") issued SFAS 157, Fair Value Measurements ("SFAS 157"), which provides guidance about how to measure assets and liabilities that use fair value. SFAS 157 apply whenever another US GAAP standard requires (or permits) assets or liabilities to be measured at fair value but does not expand the use of fair value to any new circumstances. This standard also requires additional disclosures in both annual and quarterly reports. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. In February 2008, the FASB issued FASB Staff Position ("FSP") 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13 ("FSP 157-1"), which states that SFAS 157 does not address fair value measurements for purposes of lease classification or measurement. In February 2008, the FASB issued FSP 157-2, Effective Date of FASB Statement No. 157 ("FSP 157-2"), which delays the effective date for non-financial assets and non-financial liabilities to fiscal years beginning after November 15, 2008, except for items that are measured at fair value in the financial statements on a recurring basis (at least annually). The Company adopted the provisions of SFAS 157 for its financial assets and liabilities and those items for which it has measured on a recurring basis effective January 1, 2008, and the adoption did not have a material impact on its financial position and results of operations. As provided by FSP 157-2, the Company has elected to defer the adoption of SFAS 157 for certain of its non-financial assets and liabilities and is currently evaluating the impact of adopting SFAS 157 on its non-financial assets and liabilities.

In February 2007, the FASB issued SFAS 159, The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115 ("SFAS 159"), which is effective for the Company beginning January 1, 2008. This standard permits entities to choose to measure many financial instruments and certain other items at fair value and consequently report unrealized gains and losses on such items in earnings. The Company has elected not to adopt the fair value provisions of SFAS 159 and the adoption of SFAS 159 did not have a significant impact of its financial position, cash flows and results of operations.

In December 2007, the FASB issued SFAS 141 (revised 2007), Business Combinations ("SFAS 141(R)"). SFAS 141(R) establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired. SFAS 141(R) also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. SFAS 141(R) will be effective for financial statements issued for fiscal years beginning after December 15, 2008, and will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 141(R) on its financial position, cash flows and results of operations.

In December 2007, the FASB issued SFAS 160, Noncontrolling Interests in Consolidated Financial Statements - an amendment of Accounting Research Bulletin No.51 ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling interest, changes in a parent's ownership interest, and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also establishes disclosure requirements that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 will be effective for financial statements issued for fiscal years beginning after December 15, 2008, and will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 160 on its financial position, cash flows and results of operations.

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities ("SFAS 161"). SFAS 161 is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position, financial performance, and cash flows. SFAS 161 achieves these improvements by requiring disclosure of the fair values of derivative instruments and their gains and losses in a tabular format. It also provides more information about an entity's liquidity by requiring disclosure of derivative features that are credit risk-related. Finally, it requires cross-referencing within footnotes to enable financial statement users to locate important information about derivative instruments. SFAS 161 will be effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 161 on its financial position, cash flows and results of operations.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force ("EITF")), the American Institute of Certified Public Accountants ("AICPA"), and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

NOTE 4. EARNINGS PER SHARE

The computations of basic and diluted earnings per share are as follows for the three months and six months ended June 30, 2008 and 2007:

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Numerator:				
Net earnings available to common shareholders	$ 390,391	$ 388,598	$ 161,071	$ 128,599
Denominator:				
Weighted average common stock outstanding	29,104,110	23,457,096	27,020,163	14,764,871
Effect of dilutive preferred stock	4,569,619	9,139,236	4,569,619	9,139,236
Weighted average common stock and dilutive potential common stock	33,673,729	32,596,332	31,589,782	23,904,107
Basic net earnings per share	$ 0.0134	$ 0.0165	$ 0.0059	$ 0.0087
Diluted net earnings per share	$ 0.0115	$ 0.0119	$ 0.0050	$ 0.0053

On December 7, 2007, the Company effected a reverse stock split pursuant to which each five outstanding shares of common stock, par value $0.001, were automatically converted into one share of common stock, par value $0.005 (the "Reverse Stock Split"). All of the share number, share prices and per-share amounts have been adjusted, on a retroactive basis, to reflect the effect of the Reverse Stock Split.

As no mandatory dividend is attached to the Series A convertible preferred stock ("Series A Preferred Stock"), no adjustment was made to the basic earnings per share to take into consideration of the Series A Preferred Stock.

NOTE 5. INVENTORY, NET

Inventory by major categories are summarized as follows:

	June 30, 2008	December 31, 2007
New vehicles	$ 9,285,206	$ 3,364,857
Used vehicles	4,486,064	4,179,732
Parts, accessories and others	2,592,976	1,618,345
	$ 16,364,246	$ 9,162,934

Vehicles included in inventory of approximately $1,013,000 and $2,091,150 were pledged to secure the stocking loan outstanding as of June 30, 2008 and December 31, 2007, respectively (See Note 6).

NOTE 6. BORROWINGS

The Company's borrowings are summarized as follows:

	June 30, 2008	December 31, 2007
Bank borrowings	$ 3,573,549	$ 3,307,597
Stocking loans	911,462	1,967,241
Obligations under finance lease	-	110,996
Short-term borrowings	$ 4,485,011	$ 5,385,834

Vehicles included in inventory of approximately $1,013,000 and $2,091,150 were pledged to secure the stocking loan outstanding as of June 30, 2008 and December 31, 2007, respectively. The finance lease outstanding as of December 31, 2007 was secured by motor vehicles included in property and equipment with a carrying value of approximately $239,041.

NOTE 7. OTHER CURRENT LIABILITIES

Other current liabilities by major categories are summarized as follows:

	June 30, 2008	December 31, 2007
Accruals	$ 830,588	$ 1,067,884
Other payables	2,337,883	6,020,545
	$ 3,168,471	$ 7,088,429

Other payables mainly consist of first registration tax on motor vehicles sold. First registration tax is applicable to new motor vehicles sold in Hong Kong and is computed on a progressive rate based on the gross selling price of the new motor vehicles.

NOTE 8. STOCKHOLDERS' EQUITY

General

The Company's total authorized capital at June 30, 2008, is 500,000,000 shares of which 400,000,000 shares are common stock of par value $0.005 and 100,000,000 shares are preferred stock of par value $0.001. At June 30, 2008, 29,104,110 shares of common stock and 247,798 shares of preferred stock, respectively, were issued and outstanding.

Common stock

On March 24, 2008, the Company issued 4,569,619 shares of restricted common stock as a preferred stockholder converted 247,798 shares of the Company's Series A Preferred Stock into 4,569,619 shares of restricted common stock at a conversion ratio of 1 Series A Preferred Stock to 18.4409 shares of common stock.

Preferred stock

The movement of the preferred stock during the six months ended June 30, 2008 is stated in the common stock section above.

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation, Claims and Assessments

From time to time the Company may be involved in various disputes and litigation matters arising in the normal course of business. It is the Company's belief that the resolution of these matters will not have a material adverse effect on its financial position or results of operations, however, management cannot provide assurance that damages that result in a material adverse effect on its financial position or results of operations will not be imposed in these matters. The Company accounts for contingent liabilities when it is probable that future expenditures will be made and such expenditures can be reasonably estimated.

Operating Lease Commitments

The Company leases its dealership facilities, service center facilities and office space under non-cancellable operating leases in Hong Kong and PRC. Minimum future rental payments required under non-cancellable operating leases in effect as of June 30, 2008 are as follows:

2008	$	1,501,582
2009		2,860,431
2010		1,902,170
2011		272,600
	$	6,536,783

Rent expense for the three months and six months ended June 30, 2008 and 2007 was $698,503, $311,984, $1,346,974 and $598,663, respectively.

Employment Agreements

The Company maintains employment agreements with its executive officers, which extend through 2007 to 2008. The agreements provide for a base salary, annual bonus to be determined by the Board of Directors, termination payments, stock options, non-competition provisions, and other terms and conditions of employment. In addition, the Company maintains employment agreements with other key employees with similar terms and conditions. As of June 30, 2008, committed compensation to the executives and other key employees totaling approximately $115,000 remain in effect.

NOTE 10. COMPREHENSIVE INCOME

The Company's comprehensive income is comprised of net operating results and translation adjustments. Comprehensive income for the three months and six months ended June 30 are as follows:

	Three months ended June 30,		**Six months ended June 30,**	
	2008	**2007**	**2008**	**2007**
Comprehensive income :				
Net earnings	$ 390,391	$ 388,598	$ 161,071	$ 128,599
Translation adjustments	32,934	94,849	129,553	92,202
Total comprehensive income, net of taxes	$ 423,325	$ 483,447	$ 290,624	$ 220,801

NOTE 11. RELATED PARTY TRANSACTIONS

The following is a summary of significant transactions among certain related parties and the Company during the three months and six months ended June 30:

		Three months ended June 30,		**Six months ended June 30,**	
	Notes	**2008**	**2007**	**2008**	**2007**
Sales to:					
- Affiliates	(a)	$ 11,693	$ 5,075	$ 15,719	$ 8,910
- A related company	(b)	-	394,847	-	394,847
Purchases from:					
- Affiliates	(a)	12,928	-	14,914	5,559
- An associate	(a)	-	798,272	-	2,226,432
- A director of Technorient	(a)	-	172,926	-	172,926
Interest received from:					
- Affiliates	(c)	162,764	264,347	288,782	275,394
Management fee income from:					

- Affiliates	(d)	46,196	76,856	92,373	76,856
Service fee from:					
- An associate	(d)	-	127,352	-	260,324
Rental income received from:					
- Affiliates	(d)	38,496	-	76,978	-
Rental paid to:					
- Affiliate	(d)	6,032	-	12,665	-
Building management fee paid to:					
- Affiliate	(d)	710	-	1,318	-

Notes:

(a) The transactions were carried out at market price or, where no market price was available, at cost plus a percentage profit mark-up.

(b) The transaction with a related company, which was under common management by a common director of Technorient, was carried out at market price or, where no market price was available, at cost plus a percentage profit mark-up.

(c) The loans advance to an affiliates are unsecured, bear interest at 5.5% (2007: 8.5%) per annum and repayable on demand.

(d) The transactions were carried out at terms agreed between both parties.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

The following discussion of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and related notes thereto. The following discussion contains forward-looking statements. China Premium Lifestyle Enterprise, Inc. is referred to herein as "we" or "our." The words or phrases "would be," "will allow," "intends to," "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," or similar expressions are intended to identify "forward-looking statements." Such statements include those concerning expected financial performance, corporate strategy, and operational plans. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of risks and uncertainties, including: (a) general economic conditions in Hong Kong, Macau and China; (b) regulatory factors in Hong Kong, Macau and China that may lead to additional costs or otherwise negatively affect our business; (c) whether we are able to manage our planned growth efficiently, including whether our management will be able to: (i) identify, hire, train, retain, motivate and manage required personnel or (ii) successfully manage and exploit existing and potential market opportunities; (d) whether we are able to generate sufficient revenues or obtain financing to sustain and grow our operations; (e) whether we are able to successfully fulfill our primary cash requirements which are explained below under "Liquidity and Capital Resources"; and (f) whether worldwide economic conditions will negatively affect the automobile retail industry in Hong Kong, Macau and China. Statements made herein are as of the date of the filing of this Form 10-Q with the United States Securities and Exchange Commission and should not be relied upon as of any subsequent date. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events or circumstances after the date of such statement.

COMPANY OVERVIEW AND HISTORY

China Premium Lifestyle Enterprise, Inc. is in the business of the importation, distribution and sales of premium brand luxury products in the Hong Kong Special Administrative Region, ("Hong Kong"), the Macau Special Administrative Region, ("Macau"), and in the People's Republic of China, (which for the purpose of this report excludes Hong Kong, Macau and Taiwan, and hereinafter "China"). Currently, the Company's main business is its ownership interest in Technorient Limited, a private limited liability company incorporated in Hong Kong. The business of the subsidiaries of Technorient Limited consists mainly of importation, distribution, and after-sale service of Italian "Ferrari" and "Maserati" branded cars and spare parts in Hong Kong, Macau and China. The Company is also planning to import, distribute and sell premium brand apparel and other luxury brand products in Hong Kong, Macau, China and Taiwan.

The Company was originally formed in the State of Nevada on April 19, 2004 under its predecessor name, Xact Aid, Inc. On April 30, 2004, the Company issued 1,000 shares of our common stock (representing all of its issued and outstanding shares) to Addison-Davis Diagnostics, Inc. (f/k/a QT5, Inc.), a Delaware corporation ("Addison-Davis"), in consideration of Addison-Davis advancing start-up and operating capital.

On November 15, 2004, the Company acquired the Xact Aid line of first aid products for minor injuries from Addison-Davis in accordance with an Agreement of Sale and Transfer of Assets entered into between the Company and Addison-Davis. The assets acquired were, including all goodwill appurtenant thereto, (a) inventory; (b) confidential and proprietary information relating to the Xact Aid products; (c) Seller's domain names including source codes, user name and passwords; (d) all designs and copyrights in connection with the Trademark; and (e) all records and materials relating to suppliers and customer list. In full consideration for all the acquired assets, the Company agreed to (i) repay funds advanced by Addison-Davis for the Company's operating expenses from inception to September 30, 2004, which were repaid in November 2004 and December 2004; (ii) assume a promissory note issued to Xact Aid Investments and (iii) issue to Addison-Davis 2,000,000 shares of the Company's common stock.

From the Company's inception to May 9, 2005, the date that the Company was spun-off from Addison-Davis, Addison-Davis was the Company's sole stockholder and as such the Company was a wholly-owned subsidiary of Addison-Davis and it was included in the consolidated financial statements filed by Addison-Davis with the Securities and Exchange Commission (the "SEC").

On December 22, 2005 the Company entered into a transaction divesting itself of certain assets because the Company, in management's opinion, could not attract capital to successfully exploit, in return for the assumption of certain liabilities, a guarantee to pay another significant liability, and all of the common stock of a development stage company. The Company acquired one hundred percent (100%) of the issued and outstanding shares of Brooke Carlyle Life Sciences, Inc., a Nevada corporation ("Brooke Carlyle), a development stage company with a business plan to develop an online Internet portal containing information on sexually transmitted diseases, generating revenue from advertising from pharmaceutical companies. In accordance with the terms of the acquisition, the Company agreed to: (i) sell, assign and transfer to Brooke Carlyle any and all of its rights title and interests in connection with the License Agreement and the Patent Assignment; (ii) sell, assign and transfer the Xact Aid line of first aid products for minor injuries, including all its related rights, titles and inventory; (iii) transfer a rental security deposit receivable in the amount of $225; and (iv) transfer certain notes receivable to Brooke Carlyle in the aggregate amount of $20,000. In consideration, Brooke Carlyle: (i) assumed various liabilities payable by the Company in the aggregate amount of $102,488; (ii) guaranteed payment of the Company's $950,000 promissory note payable in connection with the Patent Pending Assignment; and (iii) issued to the Company One Million (1,000,000) shares of Brooke Carlyle common stock.

The Company’s management team then determined that it was no longer in the best interests of the Company and its stockholder to continue pursuing sales and marketing efforts for the wound-specific first aid kit line of products. In an effort to bring revenues and profitable operations to the Company, management sought to effect a transaction that would attract a viable business operation and liquidate its liabilities. As a result of such decisions, on March 3, 2006, the Company entered into a non-binding letter of intent ("Letter of Intent") with Technorient Limited, a Hong Kong corporation ("Technorient") for a proposed acquisition of an interest in Technorient via a share exchange by and among the Company and Technorient and Technorient’s shareholders. On May 4, 2006, in order to satisfy certain provisions in the Share Exchange Agreement described below with Technorient, the Company entered into a Stock Purchase Agreement (the "Agreement") with Nexgen Biogroup, Inc. ("Nexgen"), for the sale of the 1,000,000 shares (the "Shares") of the common stock of Brooke Carlyle held by the Company, which at that time represented all or substantially all of the assets of the Company, for $1,000 cash, representing a consideration of $.001 per share of Brooke Carlyle, Brooke Carlyle's par value per Share (the "Sale"). In accordance with the terms of the Agreement, the Company agreed to: (i) sell, assign and transfer to Nexgen any and all of its rights, title and interests in Brooke Carlyle; and (ii) transfer to Nexgen 1,000,000 shares of Brooke Carlyle common stock. Further, on April 7, 2006, in order to satisfy certain provisions of the Share Exchange Agreement described below, the Company amended its Articles of Incorporation to provide for the authorization of 100,000,000 shares of preferred stock.

On June 9, 2006, the Company entered into a share exchange agreement (the "Exchange Agreement") with Technorient, Fred De Luca, a director of the Company, Corich Enterprises Inc., a British Virgin Islands corporation ("Corich"), and Herbert Adamczyk (collectively the “parties”). Subsequently, on July 15, 2006, the parties entered into an amended share exchange agreement, which agreement replaced in its entirety and superseded the Exchange Agreement. We refer to this share exchange agreement, as amended and restated, as the Amended Exchange Agreement. Pursuant to the terms of the Amended Exchange Agreement, the Company agreed to acquire from Corich and Mr. Adamczyk (the "Sellers") 49% of the outstanding capital stock of Technorient in exchange for the Company issuing to the Sellers and Orient Financial Services Ltd. ("OFS") 972,728 shares of Series A Convertible Preferred Stock (the "Series A Preferred Shares") (this share exchange transaction is hereinafter referred to as the "Exchange"). The 972,728 Series A Preferred Shares were convertible into approximately 89,689,881 shares of common stock, which on an as-converted basis represented 53.5% of the outstanding common stock of the Company on a fully diluted basis, taking into account the Exchange.

As of August 31, 2006, the Company had 21,629,339 outstanding shares of common stock. The Company’s Articles of Incorporation provided for authorized capital of two hundred million shares (200,000,000) of which one hundred million (100,000,000) were $0.001 par value common stock and one hundred million (100,000,000) are $0.001 par value preferred stock. Prior to the Exchange, Federico G. Cabo, a director, owned 3,000,000 shares of common stock, and Mr. De Luca, secretary and director, owned 6,000,000 shares of common stock. Pursuant to the Exchange, the Company cancelled the 9,000,000 shares of common stock owned by Messrs. De Luca and Cabo (the "Share Cancellations").

On September 5, 2006, pursuant to the Amended Exchange Agreement and after all of the conditions precedent to closing were satisfied, Corich and Mr. Adamczyk, as shareholders of Technorient, transferred 49% of the outstanding capital stock of Technorient on a fully diluted basis to the Company in exchange for the 972,728 Series A Preferred Shares. Pursuant to the terms of the Amended Exchange Agreement, there were approximately 167,644,553 shares of common stock issued and outstanding after giving effect to (a) the Exchange, (b) the share cancellations, debt conversions and the issuance of the consulting shares pursuant to the Amended Exchange Agreement, and (c) assuming the full conversion of the Series A Preferred Shares. As a result of the Exchange, the Company became a 49% shareholder of Technorient. Additionally, as a condition to the Exchange, the Company completed the sale of all the capital stock of Brooke Carlyle, which prior to the Exchange constituted all of the Company’s assets, for $1,000 cash to Nexgen.

In connection with the Exchange, the Company issued (i) to Corich and Mr. Adamczyk an aggregate of 972,728 shares of the Series A Preferred Shares in exchange for 49% of the issued and outstanding shares of Technorient, (ii) 561,245 shares of Series A Preferred Shares to Happy Emerald Limited, a British Virgin Islands company, for consulting services to be provided to Technorient after the Exchange, and (iii) an aggregate of 21,629,337 shares of common stock in connection with certain conversions of outstanding debt. As a result, after giving effect to the Exchange, the debt conversions, the issuance of shares to Happy Emerald, the issued and outstanding shares of the Company’s common stock on a fully diluted, as converted basis was 167,644,553 shares.

After the closing of the Exchange, the Company's main business is its 49% ownership interest in Technorient.

On December 27, 2006, the Company effected an increase in the number of the Company's authorized shares of capital stock from 200,000,000 to 500,000,000 total authorized shares of capital stock, and a corporate name change through the filing of a Certificate of Amendment to the Company's Articles of Incorporation with the State of Nevada's Secretary of State. As of such date the Company's authorized capital stock consisted of 400,000,000 authorized shares of common stock, $0.001 par value per share, and 100,000,000 authorized shares of preferred stock, with a par value $0.001 per share. The Company also concurrently effected a change of the Company's corporate name to "China Premium Lifestyle Enterprise, Inc." The Company name change and its new trading symbol (OTCBB: CPMM) became effective on the OTC Bulletin Board on December 28, 2006.

In March 2007, the Company entered into an agreement with Falber Confezioni, S.r.l. to become the sole importer and distributor of John Richmond, Richmond X and Richmond Denim clothing for men and women in Hong Kong, Macau, Taiwan and in China commencing in the Spring/Summer season of 2008 and ending in the Fall/Winter season of 2012.

On April 3, 2007, the Company established a wholly owned subsidiary named CPMM (Asia) Limited (f/k/a Leader Mount Limited), a limited liability company organized under Hong Kong Law ("CPMM Asia"). CPMM Asia is principally engaged in the distribution of luxury brand apparel.

On July 10, 2007, the Company entered into a Non-binding Letter of Intent with Keyforce (BVI) Limited ("Keyforce (BVI)") (the "Letter of Intent"), a subsidiary of Wo Kee Hong (Holdings) Limited of Hong Kong, to begin negotiations to acquire from Keyforce (BVI) its luxury yacht distribution business. Keyforce (BVI) is the sole shareholder of Keyforce Holdings Limited ("Keyforce Holdings") and Noble Brand Investments Limited ("Noble Brand"). Keyforce Holdings is engaged in the distribution of luxurious Italian "Ferretti" motor yachts in China while Noble Brand distributes Taiwanese produced "Horizon" motor yachts in China, Hong Kong and Macau. The Letter of Intent expired on January 9, 2008. As of the date of filing of this Form 10Q, no binding agreements had been entered into, but discussions remain ongoing.

On December 7, 2007, the Company filed a Certificate of Change Pursuant to Nevada Revised Statutes §78.209 with the Nevada Secretary of State to effect a reverse stock split pursuant to which each five outstanding shares of common stock, par value $0.001, were automatically converted into one share of common stock, par value $0.005, and the total number of shares of our common stock outstanding was reduced from 122,672,214 shares to 24,534,491 shares. No change was made in the number of the Company's authorized shares. No script or fractional share certificates were issued in connection with the stock split. Stockholders received a number of shares of new common stock rounded up to the nearest whole number in lieu of fractional interests resulting from the stock split. Following the stock split, the Company's common shares began trading under the new ticker symbol (OTCBB: CPLY).

The conversion price of the Series A Preferred Shares was adjusted up by the one-to-five ratio from $0.04338 to $0.2169 per share, and the conversion ratio of shares of common stock issued upon conversion of the Series A Preferred Shares was proportionately decreased from 92.2045 shares of common stock per one share of Series A Preferred Shares to 18.4409 shares of new common stock per one share of Series A Preferred Shares.

Each stockholder's percentage ownership interest in the company and proportional voting power remained unchanged after the stock split except for adjustments resulting from post-split rounding of fractional interests. The rights and privileges of the holders of common stock were substantially unaffected by the stock split.

On April 24, 2008, the Company adopted a Code of Business Conduct and Ethics applicable to its employees, officers and directors.

TECHNORIENT OVERVIEW

Technorient is a private limited liability company incorporated in Hong Kong on March 8, 1983. Technorient is the parent company of Auto Italia Limited (“Auto Italia”), German Motors Limited (“German Motors”), Italian Motors (Sales & Service) (“Italian Motors”), Italian Motors (Sales & Service) Limited (“IML”) and King Express Group Limited (“King Express”). Collectively, Auto Italia, Italian Motors, IML, German Motors and King Express are hereafter referred to as the “Technorient Group”. Originally founded in 1974 by Adamczyk as German Motors, Technorient was formed as the holding company for Auto Italia, IML and German Motors in 1985. IML was appointed sole Ferrari importer and distributor for Hong Kong and Macau in 1992 (and exclusive importer for China between 1994 and 2004), and Auto Italia was appointed importer and distributor for Maserati in 1996, having been a dealer for the brand since 1994. In 2003, IML transferred its entire car trading business to Auto Italia, which in turn set up a new subdivision, Italian Motors, to continue the business. On April 24, 2008, Auto Italia formed a wholly-owned subsidiary named Success Master Holdings Limited, in Hong Kong. This new entity currently does not have any operations.

IML is a 1% equity holder in Ferrari Maserati Cars International Trading (Shanghai) Co. Ltd., an equity joint venture company created with Ferrari S.p.A. and the Beijing-based Poly Investment Group in 2004 to handle sales, marketing and distribution of Maserati and Ferrari in China. We refer to Ferrari Maserati Cars International Trading (Shanghai) Co. Ltd. as the “Shanghai JV”. The Shanghai JV is building a network of dealerships for Ferrari and Maserati in China.

Auto Italia and Italian Motors operate from six locations in Hong Kong and China, incorporating sales, spare parts, service and body and paint shop facilities for Ferrari and Maserati. Management believes that the group has a well-established customer base comprised of high net worth individuals in Hong Kong and China and enjoys through its sales performance and reputation for first class facilities and customer service, and excellent relationship with senior management of both Ferrari S.p.A. and Maserati S.p.A.

Management of Technorient views the rapid development of the consumer market in China, particularly the market for luxury products, as an opportunity to leverage the Company’s existing high net worth customer base and reputation to develop a platform for distribution of a wide range of luxury items, including additional high end (performance) autos, luxury yachts and other premium lifestyle items.

King Express has been appointed as exclusive distributor by “AgustaWestland” helicopters for Hong Kong and Macau for the complete fleet of “AgustaWestland ” commercial helicopters. It also has the right to sell to the highly strategic Pearl River Delta region of Southern China on a non-exclusive basis. Currently the “AgustaWestland” helicopters business is in its preparatory stage with likely arrival of the first helicopter anticipated at the beginning of 2010.

CPMM (ASIA) OVERVIEW

On January 18, 2008, CPMM Asia, a wholly-owned subsidiary of the Company, entered into a License and Supply Agreement (the “Agreement”) with Akkurate Ltd. (“Akkurate”) and Falber Confezioni S.R.L. (“Falber”) for a term of 10 seasons through approximately January 31, 2013. The Agreement grants CPMM Asia the exclusive right to sell men’s and women’s Ready-to-Wear John Richmond, Richmond X, and Richmond Denim (“Products”) and to open points of sale identified by the signs of Products “John Richmond,” “Richmond,” “Richmond X,” and “Richmond Denim” marks (collectively, the “Signs”) in China, Hong Kong, Macau and Taiwan (the “Exclusivity Area”), which Products will be supplied by Falber. In addition, CPMM Asia has the right to use the Signs, and open and manage in the Exclusivity Area mono-brand shops identified by the Signs for the sale of the Products and other articles identified by the Signs. CPMM Asia also has the right to sublicense these rights to third parties. The first mono brand shop of “Richmond X” was opened in Hong Kong at the end of 2007. In early May 2008, CPMM Asia opened a second mono brand shop in Hong Kong.

EMPLOYEES

As of June 30, 2008, we employed approximately 180 persons on a full-time basis in Hong Kong and China. We believe we have good relationships with our employees and no major disputes or work stoppages have occurred since our inception.

The Company had previously reported that 495,791 shares of Series A Preferred Stock were issued and outstanding as of December 31, 2007. However, only 495,596 shares of Series A Preferred Stock were issued and outstanding as of December 31, 2007. The Company deems this overstatement of 195 shares of Series A Preferred Stock as immaterial and having no material impact on past reports.

CURRENCY CONVERSION AND EXCHANGE

The value of Renminbi ("RMB"), Hong Kong Dollar and the Macau Pataca against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions. Since 1994, the conversion of RMB into foreign currencies, including Hong Kong and U.S. dollars, has been based on rates set by the People's Bank of China, or PBOC, which are set daily based on the previous day's PRC interbank foreign exchange market rate and current exchange rates on the world financial markets. Since 1994, the official exchange rate for the conversion of RMB to U.S. dollars has generally been stable.

On July 21, 2005, however, PBOC announced a reform of its exchange rate system. Under the reform, RMB is no longer effectively linked to US dollars but instead is allowed to trade in a tight band against a basket of foreign currencies. If the RMB were to increase in value against the U.S. dollar, for example, mainland Chinese consumers would experience a reduction in the relative prices of goods and services, which may translate into a positive increase in sales. On the other hand, a decrease in the value of the RMB against the dollar would have the opposite effect and may adversely affect our results of operations. Any significant revaluation of RMB may materially and adversely affect our cash flows, revenues, earnings and financial position, and the value of any dividends payments. For example, an appreciation of RMB against the U.S. dollar or Hong Kong dollars would make any new RMB denominated investments or expenditures more costly to us, to the extent that we need to convert U.S. dollars or Hong Kong dollars into RMB for such purposes. In addition, a strengthening of the U.S. dollar against the Hong Kong Dollar or the Macau Pataca, if it occurred, would adversely affect the value of your investment.

CRITICAL ACCOUNTING POLICIES

See Note 1 of the Notes to Condensed Consolidated Financial Statements (unaudited) included as Item 1 of Part I herein.

RECENT ACCOUNTING PRONOUNCEMENTS

In September 2006, the Financial Accounting Standards Board ("FASB") issued SFAS 157, *Fair Value Measurements* ("SFAS 157"), which provides guidance about how to measure assets and liabilities that use fair value. SFAS 157 apply whenever another US GAAP standard requires (or permits) assets or liabilities to be measured at fair value but does not expand the use of fair value to any new circumstances. This standard also requires additional disclosures in both annual and quarterly reports. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. In February 2008, the FASB issued FASB Staff Position ("FSP") 157-1, *Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13* ("FSP 157-1"), which states that SFAS 157 does not address fair value measurements for purposes of lease classification or measurement. In February 2008, the FASB issued FSP 157-2, *Effective Date of FASB Statement No. 157* ("FSP 157-2") , which delays the effective date for non-financial assets and non-financial liabilities to fiscal years beginning after November 15, 2008, except for items that are measured at fair value in the financial statements on a recurring basis (at least annually). The Company adopted the provisions of SFAS 157 for its financial assets and liabilities and those items for which it has measured on a recurring basis effective January 1, 2008, and the adoption did not have a material impact on its financial position and results of operations. As provided by FSP 157-2, the Company has elected to defer the adoption of SFAS 157 for certain of its non-financial assets and liabilities and is currently evaluating the impact of adopting SFAS 157 on its non-financial assets and liabilities.

In February 2007, the FASB issued SFAS 159, *The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115* ("SFAS 159"), which is effective for the Company beginning January 1, 2008. This standard permits entities to choose to measure many financial instruments and certain other items at fair value and consequently report unrealized gains and losses on such items in earnings. The Company has elected not to adopt the fair value provisions of SFAS 159.

In December 2007, the FASB issued SFAS 141 (revised 2007), *Business Combinations* ("SFAS 141(R)"). SFAS 141(R) establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired. SFAS 141(R) also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. SFAS 141(R) will be effective for financial statements issued for fiscal years beginning after December 15, 2008, and will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 141(R) on its financial position, cash flows and results of operations.

In December 2007, the FASB issued SFAS 160, *Noncontrolling Interests in Consolidated Financial Statements - an amendment of Accounting Research Bulletin No.51* ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling interest, changes in a parent's ownership interest, and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also establishes disclosure requirements that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 will be effective for financial statements issued for fiscal years beginning after December 15, 2008, and will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 160 on its financial position, cash flows and results of operations.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities* ("SFAS 161"). SFAS 161 is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position, financial performance, and cash flows. SFAS 161 achieves these improvements by requiring disclosure of the fair values of derivative instruments and their gains and losses in a tabular format. It also provides more information about an entity's liquidity by requiring disclosure of derivative features that are credit risk-related. Finally, it requires cross-referencing within footnotes to enable financial statement users to locate important information about derivative instruments. SFAS 161 will be effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, will be adopted by the Company beginning in the first quarter of 2009. The Company does not expect there to be any significant impact of adopting SFAS 161 on its financial position, cash flows and results of operations.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force ("EITF")), the American Institute of Certified Public Accountants ("AICPA"), and the SEC did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

RESULTS OF OPERATIONS

Results of operations comparison of six months ended June 30, 2008 to six months ended June 30, 2007

SALES

	Six months ended June 30, 2008		Six months ended June 30, 2007	
	Total Sales	**% of Total Sales**	**Total Sales**	**% of Total Sales**
New and Used Vehicles	$ 49,479,000	93.8%	$ 39,471,000	93.7%
Parts and Services and others	$ 3,216,000	6.2%	$ 2,656,000	6.3%
Total	$ 52,695,000	100%	$ 42,127,000	100%

Total sales' mainly consists of new and used vehicles, sale of parts, and services rendered for vehicle maintenance and repair.

Net total sales for six months ended June 30, 2008 increased by approximately $10,568,000 or 25.1% to approximately $52,695,000, compared with approximately $42,127,000 for the same period of 2007. The increase was primarily attributable to the increased sales from our new and used vehicle trading segment. The increase in sales of vehicles was primarily due to the launch of the Ferrari 8-cylinder sports car, the "430 Scuderia," and an increase in deliveries of the Maserati 8-cylinder two-door 2+2 coupe, the "GranTurismo," which was launched in the last quarter of 2007. The increase in parts and service sales was mainly attributed to the increase in deliveries of Ferrari and Maserati cars to customers during the last few years.

COST OF SALES

Cost of sales for the six months ended June 30, 2008 increased to $44,033,000 from $35,914,000 for the six months ended June 30, 2007, a $8,119,000 or 22.6% increase was in line with the increase in Company's increase in revenues during this period.

GROSS PROFIT

Gross profit margin for six months ended June 30, 2008 increased by 1.7% from 14.7% for the same period of 2007 to 16.4% for the current period and the gross profit increased by approximately $2,449,000 to approximately $8,662,000 for the six months ended June 30, 2008. This increase is mainly attributed to the new and used vehicles trading segment. The gross profit margin increase in the first six months of 2008 was mainly due to deliveries of the "GranTurismo" and sales of certain highly acclaimed Ferrari used cars including Ferrari 599 GTB Fiorano and F430 Spider.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses or "S,G&A" expenses includes salaries and related staffing expenses, facilities rent, rate and building management fees, legal, accounting, professional services, general corporate expenses and marketing expenses.

S,G&A for the six months ended June 30, 2008 were approximately $8,243,000, compared to approximately $5,613,000 for the same period of 2007. The approximate $2,630,000 increase in S,G&A expenses was primarily due to the growth of revenues and rapid business expansion which was reflected in our increased staff cost, rental expenses and depreciation expenses. The staffing expenses increased from approximately $2,314,000 for the six months ended June 30, 2007 to approximately $3,444,000 for the same period of 2008. The aggregate of rent, rate and building management fees increased from approximately $662,000 for the six months ended June 30, 2007 to approximately $1,641,000 for the same period of 2008.

OTHER INCOME (EXPENSES) , NET

Other income increased to approximately $745,000 compared with other expenses of approximately $15,000 in the six months ended June 30, 2007, a total increase of $760,000. The increase was primarily due to the increased management fees, interest and rental income charged to affiliate companies, decreased interest expenses and the $130,000 gain on disposal of property and equipment. The management fees, interest and rental income charged to affiliate companies increased from approximately $352,000 for the six months ended June 30, 2007 to approximately $458,000 for the same period of 2008. The interest expenses decreased from approximately $422,000 in the first six months of 2007 to approximately $261,000 for the same period of 2008.

MINORITY INTERESTS

Minority interests for the periods presented represent outside ownership interests in subsidiaries that are consolidated with the parent for financial reporting purposes.

Results of operations comparison of three months ended June 30, 2008 to three months ended June 30, 2007

SALES

	Three months ended June 30, 2008		Three months ended June 30, 2007	
	Total Sales	**% of Total Sales**	**Total Sales**	**% of Total Sales**
New and Used Vehicles	$ 29,566,000	94.6%	$ 23,646,000	94.1%
Parts and Services and others	$ 1,682,000	5.4%	$ 1,470,000	5.9%
Total	$ 31,248,000	100%	$ 25,116,000	100%

Total sales' mainly consists of new and used vehicles, sale of parts, and services rendered for vehicle maintenance and repair.

Net total sales for three months ended June 30, 2008 increased by approximately $6,132,000 or 24.4% to approximately $31,248,000, compared with approximately $25,116,000 for the same period of 2007. The increase was primarily attributable to the increased sales from our new and used vehicle trading segment. The increase in sales of vehicles was primarily due to the launch of the Ferrari 8-cylinder sports car, the "430 Scuderia," and an increase in deliveries of the Maserati 8-cylinder, two-door 2+2 coupe, the "GranTurismo," which was launched in the last quarter of 2007. The increase in parts and service sales was mainly attributed to the increase in deliveries of Ferrari and Maserati cars to customers during the last few years.

COST OF SALES

Cost of sales for the three months ended June 30, 2008 increased to $26,048,000 from $21,422,000 for the three months ended June 30, 2007, a $4,626,000 or 21.6% increase was in line with the increase in Company's increase in revenues during this period.

GROSS PROFIT

Gross profit margin for three months ended June 30, 2008 increased by 1.9% from 14.7% for the same period of 2007 to 16.6% for the current period and the gross profit increased by approximately $1,506,000 to approximately $5,200,000 for the three months ended June 30, 2008. This increase is mainly attributed to the new and used vehicles trading segment. Gross profit margin increase in the second quarter of 2008 was mainly due to deliveries of the "GranTurismo" and the "430 Scuderia."

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses or "S,G&A" expenses includes salaries and related staffing expenses, facilities rent, rate and building management fees, legal, accounting, professional services, general corporate expenses and marketing expenses.

S,G&A for the three months ended June 30, 2008 were approximately $4,470,000, compared to approximately $2,978,000 for the same period of 2007. The approximate $1,492,000 increase in S,G&A expenses was primarily due to the growth of revenues and rapid business expansion which was reflected in our increased staff cost, rental expenses and depreciation expenses. The staffing expenses increased from approximately $1,294,000 for the three months ended June 30, 2007 to approximately $1,660,000 for the same period of 2008. The aggregate of rent, rate and building management fees increased from approximately $344,000 for the three months ended June 30, 2007 to approximately $939,000 for the same period of 2008.

OTHER INCOME, NET

Other income increased to approximately $555,000 compared to approximately $112,000 in the second quarter of 2007, a total increase of $443,000. The increase was primarily due to the $130,000 gain on disposal of property and equipment and decreased interest expenses. The interest expenses decreased from approximately $245,000 in the second quarter of 2007 to approximately $129,000 for the same period of 2008.

MINORITY INTERESTS

Minority interests for the periods presented represent outside ownership interests in subsidiaries that are consolidated with the parent for financial reporting purposes.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS FROM OPERATING ACTIVITIES

Our operations generated cash resources of approximately $588,000 for the six months ended June 30, 2008, compared to generating cash resources of approximately $3,318,000 for the six months ended June 30, 2007, primarily as a net result of the following:

- For the six months ended June 30, 2008, cash flow provided by sales net of operating expenses increased by approximately $466,000 to $1,519,000. The increase was primarily as a result of the increase in sales.

- For the six months ended June 30, 2008, account receivables decreased by approximately $3,878,000, primarily due to the collection of account receivables relating to the sales recognized in the fourth quarter of 2007 and first quarter of 2008.

- For the six months ended June 30, 2008, our inventory increased by approximately $7,201,000. The increase was consistent with our business growth especially in the car trading segment.

- For the six months ended June 30, 2008, the increase or decrease of various current operating assets and liabilities, included in the aforementioned items, resulted in an aggregate decrease of cash inflow from operations of approximately $931,000.

CASH FLOWS FROM INVESTING ACTIVITIES

For the six months ended June 30, 2008, we expended net cash of approximately $164,000 in investing activities that is the combined effect of the acquisition and disposal of property and equipment. We had utilized approximately $495,000 for acquisition of property and equipment whereas we had received approximately $331,000 proceeds from disposal of property and equipment. For the six months ended June 30, 2007, we utilized approximately $74,000 in investing activities, mainly for acquisition of property and equipment.

CASH FLOWS FROM FINANCING ACTIVITIES

During the six months ended June 30, 2008, we repaid approximately $1,542,000 of our obligations owed on outstanding debt as compared to approximately $914,000 for the six months ended June 30, 2007.

For the six months ended June 30, 2008, we provided approximately $540,000 advances to affiliates. For the six months ended June 30, 2007, we provided approximately $4,746,000 and $613,000 advances to affiliates and associate, respectively. The advances to affiliates were made to entities that are under common management, where Mr. Richard Man Fai Lee, the Company's Chief Executive Officer, is the common director of the Company and the affiliates. These advances included interest bearing and non interest bearing portions depending on the nature of the advances.

WORKING CAPITAL REQUIREMENTS

Current assets exceeded current liabilities at June 30, 2008 by approximately $9,525,000, an increase of $1,384,000 from December 31, 2007. The ratio of our current assets to our current liabilities was 1.25 to 1 at June 30, 2008 compared to 1.24 to 1 at December 31, 2007. At June 30, 2008, our current assets of approximately $47,860,000 included approximately $16,364,000 in inventory that was funded by the operating cash flow and trade finance facilities. Our current liabilities of approximately $38,335,000 included customer deposits. Given the exclusive nature and extremely limited production of Ferrari cars, our customers are willing to place material deposits in advance to the Company in order to secure their new car orders. This resulted in customer deposits of approximately $22,739,000.

SEASONALITY

Our business is modestly seasonal. Our operations generally experience higher volumes of vehicle sales in the fourth quarter of each year due in part to manufacturers' production and delivery patterns.

EFFECT OF FLUCTUATION IN FOREIGN EXCHANGE RATES

Information regarding the effects of the fluctuation in foreign exchange rates on our Company is included in Item 3 below.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We currently do not hold or use any derivative or other financial instruments that expose us to substantial market risk and we have no foreign exchange contracts. Our financial instruments consist of cash and cash equivalents, trade receivables and payables, bills payable, other current assets, other current liabilities, and bank borrowings. We consider investments in highly liquid instruments purchased with a remaining maturity of 90 days or less at the date of purchase to be cash equivalents. However, in order to manage the foreign exchange risks, we may engage in hedging activities to manage our financial exposure related to currency exchange fluctuation. In these hedging activities, we might use fixed-price, forward and option contracts when feasible.

Interest Rates . Our exposure to market risk for changes in interest rates relates primarily to our short-term obligations; thus, fluctuations in interest rates would not have a material impact on the fair value of the Company's securities. At June 30, 2008, we had approximately $4,926,000 in cash and cash equivalents. A hypothetical 10% increase or decrease in interest rates would not have a material impact on our earnings or loss, or the fair market value or cash flows of these instruments.

Foreign Exchange Rates . While our reporting currency is the U.S. dollar, to date virtually all of our revenues and costs are denominated in Hong Kong Dollars and a significant portion of our assets and liabilities is denominated in Hong Kong Dollars. As a result, we are exposed to foreign exchange risk as our revenues and results of operations may be impacted by fluctuations in the exchange rate between U.S. Dollars and Hong Kong Dollars. If the Hong Kong Dollar depreciates against the U.S. Dollar, the value of our Hong Kong Dollar revenues and assets as expressed in our U.S. Dollar financial statements will decline. Thus, our revenues and operating results may be impacted by exchange rate fluctuations of the Hong Kong Dollar. While we may choose to do so in the future, the availability and effectiveness of any hedging transactions may be limited and we may not be able to successfully hedge our exchange rate risks. Accordingly, we may experience economic losses and negative impacts on earnings and equity as a result of foreign exchange rate fluctuations. The effect of foreign exchange rate fluctuation for the six months ended June 30, 2008 was not material to us.

Item 4T. Controls and Procedures

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial and Accounting Officer), have performed an evaluation of the Company's disclosure controls and procedures, as that term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2008 and each has concluded that such disclosure controls and procedures are effective to ensure that information required to be disclosed in our periodic reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the United States Securities and Exchange Commission's rules and forms.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the quarter ended June 30, 2008 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

There have been no material changes in our business, operations or prospects that would require a change to the Risk Factor disclosure included in our most recent Annual Report on Form 10-K that have not already been disclosed.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

There have been no material changes to the procedures by which security holders may recommend nominees to the Company's board of directors.

Item 6. Exhibits.

Exhibit Number	Description
31.1	Certification of Chief Executive Officer pursuant to Rules 13A-14(A)/15D-15(E) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
31.2	Certification of the Chief Financial Officer pursuant to Rules 13A-14(A)/15D-15(E) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002), filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CHINA PREMIUM LIFESTYLE ENTERPRISE, INC.
(Registrant)

Date: August 11, 2008	By:	/s/ Richard Man Fai Lee Richard Man Fai Lee Chief Executive Officer
Date: August 11, 2008	By:	/s/ Joseph Tik Tung Wong Joseph Tik Tung Wong Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Richard Man Fai Lee, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2008 of China Premium Lifestyle Enterprise, Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

August 11, 2008

By: /s/ Richard Man Fai Lee
Richard Man Fai Lee
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Joseph Tik Tung Wong, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2008 of China Premium Lifestyle Enterprise, Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

August 11, 2008

By: /s/ Joseph Tik Tung Wong

Joseph Tik Tung Wong
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32

CERTIFICATION
OF
CHIEF EXECUTIVE OFFICER
AND
CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Richard Man Fai Lee, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of China Premium Lifestyle Enterprise, Inc. for the quarter ended June 30, 2008 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of China Premium Lifestyle Enterprise, Inc.

I, Joseph Tik Tung Wong, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of China Premium Lifestyle Enterprise, Inc. for the quarter ended June 30, 2008 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of China Premium Lifestyle Enterprise, Inc.

By: /s/ Richard Man Fai Lee
Richard Man Fai Lee
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Joseph Tik Tung Wong
Joseph Tik Tung Wong
Chief Financial Officer
(Principal Financial and Accounting Officer)

August 11, 2008