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

長江生命科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8222)

## **CONTINUING CONNECTED TRANSACTIONS**

The Group has been carrying on the Existing Continuing Connected Transactions, as announced on 29 August 2003. At the extraordinary general meeting of the Company held on 26 September 2003, the then independent Shareholders approved the Group to conduct the Existing Continuing Connected Transactions and the annual caps for transactions under each of the Existing Supply Agreements for a period up to 31 December 2005, subject to certain conditions. Details of the Existing Continuing Connected Transactions were disclosed in the announcement and circular of the Company dated 29 August 2003 and 10 September 2003 respectively. The Existing Supply Agreements and the period covered by the approval in respect of them will expire on 31 December 2005.

It is expected that the Group, the CKH Group and the HIL Group will from time to time continue to enter into transactions of a nature similar to the Existing Continuing Connected Transactions after the expiry of the Existing Supply Agreements on 31 December 2005.

As at the date of this announcement, (i) CKH is interested in approximately 44.01% of the issued share capital of the Company and therefore is a substantial shareholder of the Company and (ii) CKH is interested in approximately 49.97% of the issued share capital of HWL, and HIL, a wholly-owned subsidiary of HWL, is thus an associate of CKH. Therefore, CKH and HIL are connected persons of the Company under the GEM Listing Rules. Since the New Continuing Connected Transactions will involve provision of goods on a continuing or recurring basis and are expected to extend over a period of time, those transactions constitute continuing connected transactions of the Company under the GEM Listing Rules.

On 29 March 2005, the Company entered into the conditional New Supply Agreements for a term of three years commencing from 1 January 2006. In respect of the total amount of the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions, as it is anticipated that the applicable percentage ratios (other than the profits ratio) calculated in accordance with Chapter 19 of the GEM Listing Rules will, on an annual basis, not be less than 2.5% and the annual consideration is expected to be higher than HK\$10,000,000, the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions will constitute non-exempt continuing connected transactions of the Company under the GEM Listing Rules. The Company will be subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Rules 20.45 to 20.54 of the GEM Listing Rules in relation to the New Continuing Connected Transactions.

In view of the above, the Company will seek the approval of the Independent Shareholders in relation to the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively. It is proposed that ordinary resolutions will be proposed at the forthcoming AGM of the Company for the Independent Shareholders to approve by way of poll the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively and the respective annual caps which the transactions shall not exceed. CKH, HIL and their respective associates will be required to abstain from voting on the ordinary resolutions to approve the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively.

A circular containing, among other things, (1) further information on the New Continuing Connected Transactions; (2) the recommendation of the Independent Board Committee to the Independent Shareholders; (3) the advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (4) a notice of the AGM including ordinary resolutions to be proposed to approve the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively will be despatched to the Shareholders as soon as practicable.

## **1. BACKGROUND**

The Group has been conducting the Existing Continuing Connected Transactions, as announced on 29 August 2003. At the extraordinary general meeting of the Company held on 26 September 2003, the then independent Shareholders approved the Group to conduct the Existing Continuing Connected Transactions and the annual caps for transactions under each of the Existing Supply Agreements for a period up to 31 December 2005, subject to certain conditions. Details of the Existing Continuing Connected Transactions were disclosed in the announcement and circular of the Company dated 29 August 2003 and 10 September 2003 respectively. The Existing Supply Agreements and the period covered by the approval in respect of them will expire on 31 December 2005. A brief summary of the Existing Supply Agreements is set out below:

- (1) Existing CKH Supply Agreement - CKH engages the Company and the Company agrees to provide and/or procure to be provided the Products to the CKH Group for use or consumption and/or for sale and distribution on a non-exclusive basis for a term from 1 January 2003 to 31 December 2005; and
- (2) Existing HIL Supply Agreement - HIL engages the Company and the Company agrees to provide and/or procure to be provided the Products to HIL and its subsidiaries for sale and distribution on a non-exclusive basis for a term from 1 May 2003 to 31 December 2005. In that connection, relevant members of the Group may make the Sales Related Payments to those of the HIL Group.

## 2. THE EXISTING CONTINUING CONNECTED TRANSACTIONS

The aggregate amount of each of the Existing Continuing Connected Transactions for each of the two financial years ended 31 December 2004 is set out below:

Existing Continuing Connected Transactions		Aggregate Amount (in HK\$)	
		For the year ended 31/12/2003	For the year ended 31/12/2004
1.	The value of the Products provided to the CKH Group pursuant to the Existing CKH Supply Agreement	40,250	30,000
2.	Existing HIL Supply Agreement:-		
	(a) the value of the Products provided to the HIL Group;	2,715,210	3,262,031
	(b) the value of the Sales Related Payments paid by the Group	834,150	647,460

For each of the two financial years ended 31 December 2004, none of the aggregate amount of the Existing Continuing Connected Transactions exceeded their respective annual cap amount as approved by the then independent Shareholders in 2003.

## 3. THE NEW CONTINUING CONNECTED TRANSACTIONS

It is expected that the Group, the CKH Group and the HIL Group will from time to time continue to enter into transactions of a nature similar to the Existing Continuing Connected Transactions after the expiry of the Existing Supply Agreements on 31 December 2005. Details of the New Continuing Connected Transactions are as follows:-

A. *The New CKH Supply Agreement*

Date:	29 March 2005
Parties:	(i) The Company (ii) CKH
Condition precedent:	conditional upon approval by Independent Shareholders
Duration:	a term of 3 years from 1 January 2006 to 31 December 2008
Goods provided:	the Products

Subject to the terms and conditions of the New CKH Supply Agreement, the Company agrees to continue to provide and/or procure members of the Group to provide the Products to the CKH Group and CKH agrees to continue to purchase and/or procure members of the CKH Group (in respect of associates of CKH which are not subsidiaries of CKH, to procure with reasonable endeavours only) to purchase the Products from the Group for use or consumption and/or for sale and distribution by the CKH Group both locally and overseas on a non-exclusive basis after the expiry of the Existing CKH Supply Agreement.

Similar to the Existing CKH Supply Agreement, the New CKH Supply Agreement is a master agreement which sets out the principles upon which detailed terms are to be determined between the relevant members of the Group and the CKH Group. Pursuant to the New CKH Supply Agreement, members of the Group and the CKH Group will enter into separate and definitive agreements from time to time to provide for the detailed terms of each single transaction in accordance with the principles in the New CKH Supply Agreement. Such detailed terms include (but without limitation) the basis on which the Products will be supplied, the price of the Products, payment and settlement terms, product warranties and other terms and conditions in relation to the provision of the Products by the Group to the CKH Group. The parties agree that such detailed terms shall be on normal commercial terms and on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties.

Proposed annual caps

The Directors project that under the New CKH Supply Agreement, the value of the Products to be provided or to be agreed to be provided by the Group to the CKH Group will not exceed the amounts set out below:-

- (i) For the year ending 31 December 2006 – HK\$200,000
- (ii) For the year ending 31 December 2007 – HK\$300,000
- (iii) For the year ending 31 December 2008 – HK\$400,000.

Approval will be sought from the Independent Shareholders in respect of the New CKH Continuing Connected Transactions. It will be one of the conditions of the approval of the Independent Shareholders that the value of the New CKH Continuing Connected Transactions shall not exceed certain annual caps detailed below, which are set by reference to the above annual figures.

*Basis of caps*

The estimated annual figures proposed above are determined by reference to (i) the anticipated increase in the sale prices of the Products; (ii) the anticipated growth in the sales volume of the Products to or through the CKH Group and/or (iii) the anticipated increase in the number of new Products to be launched and made available to the CKH Group.

*B. The New HIL Supply Agreement*

Date: 29 March 2005

Parties: (i) The Company  
(ii) HIL

Condition precedent: conditional upon approval by Independent Shareholders

Duration: a term of 3 years from 1 January 2006 to 31 December 2008

Goods provided: the Products

Subject to the terms and conditions contained in the New HIL Supply Agreement, the Company agrees to continue to provide and/or procure the members of the Group to provide the Products to the HIL Group and HIL agrees to continue to purchase and/or procure members of the HIL Group (in respect of those members of the HIL Group in which HIL is directly or indirectly interested so as to exercise or control the exercise of 30% to 50% of voting power at general meetings of such companies, to procure with reasonable endeavours only) to purchase the Products from the Group, for sale and distribution by the HIL Group both locally and overseas on a non-exclusive basis after the expiry of the Existing HIL Supply Agreement. In connection with the supply of the Products, relevant members of the Group may make the Sales Related Payments to relevant members of the HIL Group, which are expected to include advertising and promotional fees and royalties, display rentals, upfront payments or premium and/or such other payments (including without limitation, payments for consultancy, management and/or merchandising services to be rendered by the HIL Group).

Similar to the Existing HIL Supply Agreement, the New HIL Supply Agreement is a master agreement which sets out the principles upon which detailed terms are to be determined between the relevant members of the Group and the HIL Group. Pursuant to the New HIL Supply Agreement, members of the Group and the HIL Group will enter into separate and definitive agreements from time to time to provide for the detailed terms of each single transaction in accordance with the principles in the New HIL Supply Agreement. Such detailed terms include (but without limitation) the basis on which the Products will be supplied, the price of the Products, payment and settlement terms, product warranties, the amounts of the Sales Related Payments payable by the Group to the HIL Group and other terms and conditions in relation to the provision of the Products by the Group to the HIL Group. The parties agree that such detailed terms shall be on normal commercial terms and on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties.

#### Proposed annual caps

The Directors project that under the New HIL Supply Agreement:-

- (a) the value of the Products to be provided or to be agreed to be provided by the Group to the HIL Group will not exceed the amounts set out below:-
  - (i) For the year ending 31 December 2006 – HK\$70,000,000
  - (ii) For the year ending 31 December 2007 – HK\$120,000,000
  - (iii) For the year ending 31 December 2008 – HK\$200,000,000; and
- (b) the value of the Sales Related Payments payable by the Group to the HIL Group will not exceed the amounts set out below:-
  - (i) For the year ending 31 December 2006 – HK\$21,000,000
  - (ii) For the year ending 31 December 2007 – HK\$36,000,000
  - (iii) For the year ending 31 December 2008 – HK\$60,000,000.

Approval will be sought from the Independent Shareholders in respect of the New HIL Continuing Connected Transactions. It will be one of the conditions of the approval of the Independent Shareholders that the value of the New HIL Continuing Connected Transactions shall not exceed certain annual caps detailed below, which are set by reference to the above annual figures.

#### Basis of caps

The estimated annual figures proposed in (a) above are determined by reference to (i) the sales volume for the year ended 31 December 2004 and the projected sales volume for the year ending 31 December 2005 of the Products to the HIL Group or through the distribution channels of the HIL Group; (ii) the estimated increase in the sales price of the Products; (iii) the anticipated increase in the number of the Products to be launched and made available for sale by the HIL Group; and (iv) the expected expansion of distribution channels for the Products through a wider scope of outlet coverage of the HIL Group.

With regard to the sales of the Products to the HIL Group or through the distribution channels of the HIL Group, it is assumed that:-

- (i) in Asia (excluding Hong Kong) and Europe, the expected sales of the Products is expected to be approximately HK\$56,000,000 in the year ending 31 December 2006 and it is expected that there will be about 75% increase year on year in each of the years from 2007 to 2008; and
- (ii) in Hong Kong, the expected sales of the Products is expected to be approximately HK\$12,230,000 for the year ending 31 December 2006 and it is expected that there will be about 50% increase year on year in each of the years from 2007 to 2008.

During the financial year ended 31 December 2004, several new Products were launched under the Product lines of the health food and dietary supplement products. In the past years, the Group's initial focus was on the Hong Kong market because:-

- (a) The Group would have competitive advantage to develop its market in Hong Kong first due to its business connection in and market knowledge of Hong Kong. With the outbreak of the Severe Acute Respiratory Syndrome in Hong Kong in early 2003, there was a great opportunity for the Group to start and concentrate its marketing activities and efforts in promoting its immuno-enhancing products under the Product lines in respect of the health food and dietary supplement products so as to build up its brand name and to obtain its market share within a very short period of time; and
- (b) a lot of documentation and preparation work is required in order to comply with the overseas product registration requirements.

The Company currently anticipates that the total number of new Products that may be launched and made available to the HIL Group by the Group's own development for a period of three years commencing from 1 January 2006 will be in the range of about one to four new lines of the Products. However, these figures may vary depending on numerous factors, including the progress of research and development of the Products under the new Product lines, the market reception of the new Products and the market condition at the time of proposed launch of the new Products and throughout the duration of the New HIL Supply Agreement and the completion of registration requirements of some of the Products in different countries prior to launch in the market.

The HIL Group currently has over 4,800 outlets in Asia and Europe. Currently, the Products are being sold in about 150 outlets of the HIL Group in the area of Hong Kong only. The Group considers that, with its initial focus in Hong Kong, it has built up its brand name over the past years. The Group also considers that the product registration work overseas in relation to certain Products is also at the close-to-finalisation stage. On such premise, the Group expects that it will be ready to implement its expansion plan in the overseas market starting from 2006. So long as the product registration requirements in relevant countries are completed, the Group intends to take advantage of the worldwide well-established and extensive outlet coverage of the HIL Group. On the above basis, the Group expects to gradually penetrate into the outlets of the HIL Group globally and it is therefore anticipated that the number of outlets of the HIL Group in which the Products would be made available for sale will increase substantially in the coming years.

The estimated annual figures of the Sales Related Payments proposed in (b) above are determined based on the projected sales value set out in (a) above and on the assumption that the Sales Related Payments will amount to approximately 30% of such sales with reference to the current practice of the distributors and the retailers and particularly the value of the Products to be sold in the outlets of the HIL Group outside Hong Kong.

The Directors confirm that the New Continuing Connected Transactions will be conducted in the ordinary and usual course of business of the Group, on normal commercial terms and negotiated on an arm's length basis between the relevant members of the Group and the CKH Group or the HIL Group (as the case may be). In particular, the terms and conditions (including the price chargeable by the Group) for the provision of the Products by the Group to the relevant members of the CKH Group or the HIL Group (as the case may be) will be on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties.

#### **4. REASONS FOR ENTERING INTO THE NEW CONTINUING CONNECTED TRANSACTIONS**

The supply of the Products pursuant to the Existing Supply Agreements and the related transactions has formed part of the normal commercial activities of the Group. The transactions are also normal business activities of the relevant members of the CKH Group and HIL and its subsidiaries. In the case of the New HIL Supply Agreement, the transactions would also enable the Group to take advantage of the wide distribution channels and extensive retail outlets of the HIL Group.

## **5. NEW CONTINUING CONNECTED TRANSACTIONS AND REQUIREMENTS UNDER THE GEM LISTING RULES**

### *Relationship with CKH and HIL*

As at the date of this announcement, (i) CKH is interested in approximately 44.01% of the issued share capital of the Company and thus is a substantial shareholder of the Company; and (ii) CKH is interested in approximately 49.97% of the issued share capital in HWL, and HIL, a wholly-owned subsidiary of HWL, is thus an associate of CKH. Therefore, the CKH Group and the HIL Group are connected persons of the Company under the GEM Listing Rules, and transactions under each of the Existing Supply Agreements constitute connected transactions of the Company under the GEM Listing Rules.

### *New Continuing Connected Transactions*

As the New Continuing Connected Transactions involve provision of goods on a continuing and recurring basis and are expected to extend over a period of time, those transactions will constitute continuing connected transactions of the Company under the GEM Listing Rules.

In respect of the total amount of the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions, as it is anticipated that the applicable percentage ratios (other than the profits ratio) calculated in accordance with Chapter 19 of the GEM Listing Rules will, on an annual basis, not be less than 2.5% and the annual consideration is expected to be higher than HK\$10,000,000, the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions will constitute non-exempt continuing connected transactions under the GEM Listing Rules; and the Company is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Rules 20.45 to 20.54 of the GEM Listing Rules. Accordingly, the Company will seek the approval of the Independent Shareholders by way of poll for the Group to conduct the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively for the period from 1 January 2006 up to 31 December 2008 on the condition that the transactions shall not exceed the relevant annual caps set out below:

	Category of New Continuing Connected Transactions	Proposed Caps (in HK\$)		
		For the year ending 31/12/2006	For the year ending 31/12/2007	For the year ending 31/12/2008
1.	The value of the Products to be provided under the New CKH Continuing Connected Transactions	200,000	300,000	400,000
2.	The New HIL Continuing Connected Transactions :-			
	(a) the value of the Products to be provided to the HIL Group;	70,000,000	120,000,000	200,000,000
	(b) the value of the Sales Related Payments payable by the Group	21,000,000	36,000,000	60,000,000

If there are material changes to the terms of any of the New Supply Agreements mentioned above or the relevant caps stated above are exceeded or that the Company and any connected persons (as defined under the GEM Listing Rules) reach any new arrangements, the Company will have to comply with the relevant provisions of Chapter 20 of the GEM Listing Rules, unless the Company reports to the Stock Exchange and is granted an exemption.

#### **6. INDEPENDENT SHAREHOLDERS' APPROVAL IN RESPECT OF THE NEW CONTINUING CONNECTED TRANSACTIONS**

It is proposed that ordinary resolutions will be proposed at the forthcoming AGM of the Company to approve by way of poll the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively and the respective proposed annual caps mentioned above. CKH, HIL and their respective associates will be required to abstain from voting on such ordinary resolutions.

An Independent Board Committee will be appointed to advise the Independent Shareholders on whether or not the terms of the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively are fair and reasonable and in the interests of the Company and the Shareholders as a whole. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively.

A circular containing, among other things, further information on the New Continuing Connected Transactions, the recommendation of the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders and the notice to convene the AGM in which ordinary resolutions will be proposed to approve the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions respectively will be despatched to the Shareholders as soon as practicable.

## **7. GENERAL**

The business operations of the Group primarily include, inter alia, research and development, commercialization, marketing and sale of biotechnology products as well as investments in financial instruments/products. Products developed by the Group are categorized into areas of human health and environmental sustainability. A number of the inventions were granted patents by the US Patent and Trademark Office.

The principal activities of the CKH Group are investment holding, property development and investment, hotel and serviced suite operation, property and project management and investments in securities.

The principal activities of HIL are investment holdings. HIL is a wholly-owned subsidiary of HWL. The HWL Group operates and invests in five core businesses: ports and related services; telecommunications; property and hotels; retail and manufacturing; and energy, infrastructure, finance and investments.

## **8. TERMS USED IN THIS ANNOUNCEMENT**

“AGM”	the annual general meeting of the Company to be convened on Thursday, 12 May 2005 to approve, inter alia, the New Continuing Connected Transactions and the annual caps which the transactions shall not exceed
“associate(s)”	has the meaning ascribed under the GEM Listing Rules (as may be amended from time to time)
“Board”	the board of directors of the Company
“CKH”	Cheung Kong (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“CKH Group”	CKH, its subsidiaries and its associates (excluding the HWL Group and the Group) from time to time
“Company”	CK Life Sciences Int’l., (Holdings) Inc., an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Directors”	the directors of the Company
“Existing CKH Supply Agreement”	the agreement dated 29 August 2003 made between the Company and CKH in relation to provision of the Products by members of the Group to members of the CKH Group
“Existing Continuing Connected Transactions”	the existing transactions between members of the Group and members of the CKH Group and the HIL and its subsidiaries under or pursuant to the respective Existing Supply Agreements
“Existing HIL Supply Agreement”	the agreement dated 29 August 2003 made between the Company and HIL in relation to provision of the Products by members of the Group to HIL and its subsidiaries
“Existing Supply Agreements”	the Existing CKH Supply Agreement and the Existing HIL Supply Agreement
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“HIL”	Hutchison International Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of HWL

“HIL Group”	HIL, HIL’s subsidiaries from time to time, and the companies in which HIL is from time to time directly or indirectly interested so as to exercise or control the exercise of 30% to 50% of voting power at general meetings of such companies
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HWL”	Hutchison Whampoa Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“HWL Group”	HWL and its subsidiaries from time to time
“Independent Board Committee”	an independent committee of the board of Directors consisting of three of the independent non-executive Directors, namely, Professor Wong Yue-chim, Richard, Mrs. Kwok Eva Lee and Mr. Colin Stevens Russel
“Independent Shareholders”	in relation to the New Continuing Connected Transactions, Shareholders other than the connected person who is interested in the New Continuing Connected Transactions
“New CKH Continuing Connected Transactions”	the transactions under or pursuant to the New CKH Supply Agreement
“New Continuing Connected Transactions”	the New CKH Continuing Connected Transactions and the New HIL Continuing Connected Transactions
“New HIL Continuing Connected Transactions”	the transactions under or pursuant to the New HIL Supply Agreement

“New CKH Supply Agreement”	the conditional agreement dated 29 March 2005 made between the Company and CKH in relation to provision of the Products by members of the Group to members of the CKH Group, details of which are set out in the paragraph “ <i>A. The New CKH Supply Agreement</i> ” under the section headed “3. The New Continuing Connected Transactions” in this announcement
“New HIL Supply Agreement”	the conditional agreement dated 29 March 2005 made between the Company and HIL in relation to provision of the Products by members of the Group to members of the HIL Group, details of which are set out in the paragraph “ <i>B. The New HIL Supply Agreement</i> ” under the section headed “3. The New Continuing Connected Transactions” in this announcement
“New Supply Agreements”	the New CKH Supply Agreement and the New HIL Supply Agreement
“Products”	the health food and dietary supplement products, including but not limited to those marketed under the trademark VitaGain <sup>®</sup> ; the eco-agricultural products, including but not limited to the fertiliser products marketed under the trademark NutriSmart <sup>®</sup> ; the animal feed additives, including but not limited to those marketed under the trademark AgiPro <sup>®</sup> ; the bioremediation products for treatments of environmental pollutants, including but not limited to those marketed under the trademark WonderTreat <sup>®</sup> ; as well as human health care and skin care products in the New Continuing Connected Transactions, in each case to be provided by the Group to the CKH Group and the HIL Group (as the case may be) from time to time, as may be agreed between the relevant member of the Group and the CKH Group and the HIL Group respectively

“Sales Related Payments”	in connection with the provision of the Products by the Group to relevant members of the HIL Group under the Existing / New HIL Supply Agreement, the advertising and promotional fees and royalties, display rentals, upfront payments or premiums and/or such other payments (in respect of the New HIL Continuing Connected Transactions, including without limitation, payments for consultancy, management and/or merchandising services to be rendered by the HIL Group to the Group) to be payable by the Group to the HIL Group, as may be agreed between the relevant members of the Group and the HIL Group under the separate and definitive agreements between them pursuant to the Existing / New HIL Supply Agreement
“Shareholders”	holder of shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto in the Companies Ordinance (Cap 32 of the Laws of Hong Kong)

By Order of the Board  
**CK Life Sciences Int’l., (Holdings) Inc.**  
**Eirene Yeung**  
*Company Secretary*

Hong Kong, 29 March 2005

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

*This announcement, for which the 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 the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and 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 on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the website of the Company at [www.ck-lifesciences.com](http://www.ck-lifesciences.com).*