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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)

MAJOR TRANSACTION

in respect of

the acquisition of the entire issued and outstanding shares in the capital of

Développement Santé Naturelle A.G. Ltée

The Board is pleased to announce that on 1 April 2005, the Agreement was entered into between, inter alia, CK Life Sciences Int'l., Inc., an indirect wholly-owned subsidiary of the Company and the Vendors, who are and whose ultimate beneficial owner are independent third parties which are not connected persons of the Company (as defined in the GEM Listing Rules) for the sale and purchase of the entire issued and outstanding shares in the capital of Target Co at a total consideration of CAD\$53,950,000 (approximately HK\$346,224,125) (subject to adjustment) in cash.

The Acquisition contemplated in the Agreement constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules. No shareholder in the Company is required to abstain from voting if the Company is to convene an extraordinary general meeting to approve the Acquisition. On 4 April 2005, the Company received a written approval on the Agreement from a closely allied group of shareholders, namely Gold Rainbow Int'l Limited, Trueway International Limited and Triluck Assets Limited together holding approximately 73.35% of the issued share capital of the Company, which have no interest in the Agreement or any transaction contemplated thereunder other than through their equity interest in the Company.

A circular containing, amongst other things, further information about the Acquisition will be despatched to the shareholders of the Company as soon as practicable.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 4 April 2005 pending the issue of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares from 9:30 a.m. on 6 April 2005.

THE AGREEMENT

Date: 1 April 2005

Parties: Between, inter alia, CK Life Sciences Int'l., Inc., as purchaser and the Vendors who are and whose ultimate beneficial owner are independent third parties which are not connected persons of the Company (as defined in the GEM Listing Rules)

ASSETS TO BE ACQUIRED

The entire issued and outstanding shares in the capital of Target Co.

CONSIDERATION

The total consideration (subject to adjustment) is CAD\$53,950,000 (approximately HK\$346,224,125). CAD\$2,500,000 (approximately HK\$16,043,750) has been paid in cash to an escrow agent as deposit upon signing of the Agreement and the balance of the purchase price will be payable in cash upon Completion and in the manner set out in the Agreement. The Company currently intends that the total consideration will be satisfied partly by internal resources and partly by bank borrowings.

INFORMATION ON TARGET CO

The principal activities of Target Co are manufacturing, wholesaling, retailing and distributing nutraceutical products.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Target Co is a limited liability company incorporated under the laws of Canada which is owned by third parties independent of the Company and not connected persons of the Company (as defined under the GEM Listing Rules).

The Group has taken into account the following factors in determining the consideration which was arrived at after arm's length negotiations between the parties: (i) the economic benefits of the transaction to the Group; (ii) the future prospects of the business of Target Co; (iii) the synergy effects and strategic value of Target Co on the future development of the Group; and (iv) the potential business opportunities that can be provided to the Group.

As at 31 December 2004, the net asset value of Target Co was approximately CAD\$15.5 million (approximately HK\$99.5 million). The net profits before taxation and extraordinary items for the two years ended 31 December 2003 and 2004 which are immediately preceding the Acquisition were approximately CAD\$5.5 million (approximately HK\$35.3 million) and CAD\$5.9 million (approximately HK\$37.9 million) respectively. The net profits after taxation and extraordinary items for the said two years were approximately CAD\$3.7 million (approximately HK\$23.7 million) and CAD\$4.1 million (approximately HK\$26.3 million) respectively.

REASONS FOR ENTERING INTO THE ACQUISITION

Target Co is one of the leading manufacturers and marketers of branded nutraceutical products in Canada. Its vitamins, minerals, herbs and health supplements are sold under the brand name of "Adrien Gagnon" in major pharmacies, grocery stores and mass market retailers in Canada. The strong brand loyalty, customer base and distribution network of Target Co provide a platform for the Group to accelerate the commercialization of its products in the Canadian market place.

GENERAL

The Directors considered that the Agreement is entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Agreement are fair and reasonable and in the best interests of the Group so far as the interests of the shareholders of the Company are concerned.

The business operations of the Group primarily include research and development, commercialisation, 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 Novacap II, Société en commandite are private equity and venture capital investments. Gestion Santé Gagnon Inc. is a family holding company whose principal activities include management of some of the funds of the family members.

The Acquisition contemplated in the Agreement constitutes a major transaction under Chapter 19 of the GEM Listing Rules. No shareholder in the Company is required to abstain from voting if the Company is to convene an extraordinary general meeting to approve the Acquisition. On 4 April 2005, the Company received a written approval on the Agreement from a closely allied group of shareholders, namely Gold Rainbow Int'l Limited, Trueway International Limited and Triluck Assets Limited together holding approximately 73.35% of the issued share capital of the Company, which have no interest in the Agreement or any transaction contemplated thereunder other than through equity interest in the Company. The shareholding interests of Gold Rainbow Int'l Limited, Trueway International Limited and Triluck Assets Limited in the Company are 2,820,008,571 shares (representing approximately 44.01%), 1,410,004,286 shares (representing approximately 22.01%) and 470,001,429 shares (representing approximately 7.34%) respectively. Gold Rainbow Int'l Limited is an indirect wholly-owned subsidiary of Cheung Kong (Holdings) Limited. Trueway International Limited and Triluck Assets Limited are both indirectly wholly-owned by Mr. Li Ka-shing who is the Chairman of Cheung Kong (Holdings) Limited.

A circular containing, amongst other things, further information about the Acquisition will be despatched to the shareholders of the Company as soon as practicable.

DEFINITIONS

“Acquisition”	the acquisition of the entire issued and outstanding shares in the capital of Target Co
“Agreement”	the share purchase agreement dated 1 April 2005 entered into between, inter alia, CK Life Sciences Int'l., Inc. as purchaser and the Vendors in relation to the sale and purchase of the entire issued and outstanding shares in the capital of Target Co
“Board”	the board of Directors
“Company”	CK Life Sciences Int'l., (Holdings) Inc., a company incorporated in the Caymans Islands with limited liability
“Completion”	on 31 May 2005 (Montreal time) or such other date as agreed between the parties after all the conditions in the Agreement are fulfilled or waived (as the case may be)
“Directors”	directors of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Co”	Développement Santé Naturelle A.G. Ltée, a corporation incorporated under the laws of Canada
“Vendors”	Novacap II, Société en commandite, a limited partnership formed under the Laws of Québec and Gestion Santé Gagnon Inc., a corporation incorporated under the Laws of Québec
“CAD\$”	the lawful currency of Canada
“HK\$”	the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China

For the purpose of illustration only, CAD\$ to HK\$ is translated at a rate of CAD\$1.00 = HK\$6.4175.

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

Hong Kong, 4 April 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 for at least 7 days from the date of its posting and on the website of the Company at www.ck-lifesciences.com.