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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 share capital of

Nuturf Australia Pty Ltd

The Board is pleased to announce that on 29 July 2005, the Agreement was entered into between CK Life Sciences Int'l., Inc., an indirect wholly-owned subsidiary of the Company, the Covenantor and the Vendor, who are and whose ultimate beneficial owners are independent third parties which are not connected persons of the Company (as defined in the GEM Listing Rules) whereby the Vendor agreed to sell and CK Life Sciences Int'l., Inc. agreed to purchase (or to procure another group company to purchase) the entire issued share capital of Target Co at a total consideration (subject to adjustment) of AUD7,200,000 (approximately HK\$41,904,000) 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 of the Company is required to abstain from voting if the Company is to convene an extraordinary general meeting to approve the Acquisition. On 29 July 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. Accordingly, no extraordinary general meeting of the Company is required to be held to consider the Acquisition contemplated under the Agreement pursuant to Rule 19.44 of the GEM Listing Rules.

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

The Directors also noted today's increase in the trading volume and the price of the shares of the Company and wish to state that the Directors are not aware of any reasons for such increase.

THE AGREEMENT

Date: 29 July 2005

- Parties:
- (i) CK Life Sciences Int'l., Inc., an indirect wholly-owned subsidiary of the Company, as purchaser (which will purchase or procure another group company to purchase the entire issued share capital of Target Co)
 - (ii) the Covenantor and the Vendor who are and whose ultimate beneficial owners 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 share capital of Target Co.

CONSIDERATION

The total consideration (subject to adjustment) is AUD7,200,000 (approximately HK\$41,904,000), which will be payable as to 90% upon Completion and the remaining 10% upon the receipt of confirmation from CK Life Sciences Int'l., Inc.'s lawyers that Target Co has become the beneficial owner of the businesses and assets by way of the Business Transfer (as hereinafter defined) and can carry on such businesses.

The Company currently intends that the total consideration will be satisfied partly by internal resources and partly by bank borrowings.

INFORMATION ON TARGET CO

Target Co has only been set up recently and prior to the Business Transfer, it has no specific business or operation. Prior to Completion, the Vendor will transfer its businesses (i.e. distribution of turf management products and provision of the related services) and certain assets used by the Vendor in relation to such businesses (including the necessary licences, manpower and know-how) to Target Co ("Business Transfer"). After the Business Transfer, the principal activities of Target Co will be distribution of turf management products and provision of the related services.

Prior to Completion, the Vendor and the Covenantor shall ensure that Target Co shall become the beneficial owner of the businesses and assets as contemplated under the Business Transfer. Moreover, prior to Completion, the Company shall obtain all the necessary approvals or waivers from its shareholders (if necessary) in relation to the Acquisition. The parties of the Agreement will enter into definitive contracts in relation to the Acquisition and the Business Transfer. Completion shall take place on 4 August 2005 or such other date as the parties may agree provided that the said conditions have been fulfilled or waived.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Target Co is a limited liability company incorporated under the laws of Australia and Target Co and its ultimate beneficial owners are third parties independent of the Company and its connected persons and are 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 synergistic 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.

Based on the unaudited accounts of the Vendor as at 31 July 2004 and assuming the Business Transfer was completed as at 31 July 2004, the net asset value of Target Co should be approximately AUD966,000 (approximately HK\$5,622,000). Based on the financial information of the Vendor and assuming the Business Transfer was completed prior to 1 August 2002, the net profits before taxation and extraordinary items for the two years ended 31 July 2003 and 2004 which are immediately preceding the Acquisition should be approximately AUD77,000 (approximately HK\$448,000) and AUD2,712,000 (approximately HK\$15,784,000) respectively. The respective net losses and net profits after taxation and extraordinary items for the said two years should be approximately AUD17,000 (approximately HK\$99,000) and AUD1,844,000 (approximately HK\$10,732,000). The above unaudited accounts were prepared under the Australia GAAP.

REASONS FOR ENTERING INTO THE ACQUISITION

The businesses to be transferred to Target Co under the Business Transfer include the Vendor's extensive customer base and distribution network of turf management products in Australia. After the Business Transfer and Completion, the customer base and distribution network of Target Co can enlarge the platform for the Group to accelerate the commercialization of its products in the Australian 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, 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 Vendor are distribution of turf management products and provision of the related services.

The Covenantor operates in two key areas of business activity: crop protection and industrial, fine and performance chemicals.

The Acquisition contemplated in the Agreement constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules. No shareholder of the Company is required to abstain from voting if the Company is to convene an extraordinary general meeting to approve the Acquisition. On 29 July 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. Accordingly, no extraordinary general meeting of the Company is required to be held to consider the Acquisition contemplated under the Agreement pursuant to Rule 19.44 of the GEM Listing Rules.

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

The Directors have noted today's increase in the trading volume and the price of the shares of the Company and wish to state that the Directors are not aware of any reasons for such increase.

As part of the Company's ordinary course of business, the Company has taken part in preliminary discussion with various parties regarding possible acquisition of interests in various companies ("Possible Acquisitions"). As at the date of this announcement, no terms and conditions of the Possible Acquisitions have been finalized and no agreement has been reached with any party in respect of the Possible Acquisitions. The Possible Acquisitions may or may not materialize. Further announcement will be made, if necessary, in accordance with the requirements of the GEM Listing Rules.

Save for the Acquisition and the Possible Acquisitions, the Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, nor is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

DEFINITIONS

"Acquisition"	the acquisition of the entire issued share capital of Target Co
"Agreement"	the legally binding heads of agreement dated 29 July 2005 entered into between CK Life Sciences Int'l., Inc. as purchaser, the Covenantor and the Vendor in relation to the sale and purchase of the entire issued share capital of Target Co
"Board"	the board of directors of the Company
"Company"	CK Life Sciences Int'l., (Holdings) Inc., a company incorporated in the Cayman Islands with limited liability
"Completion"	completion of the Acquisition

"Covenantor"	Nufarm Limited, a company incorporated under the laws of Australia and is the holding company of the Vendor
"Directors"	directors of the Company
"GAAP"	generally accepted accounting principles
"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)"	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"	Nuturf Australia Pty Ltd, a corporation incorporated under the laws of Australia and is a wholly-owned subsidiary of the Vendor
"Vendor"	Nuturf Pty Limited, a company incorporated under the laws of Australia and is a wholly-owned subsidiary of the Covenantor
"AUD"	the lawful currency of Australia
"HK\$"	the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China

For the purpose of illustration only, AUD to HK\$ is translated at a rate of AUD1.00 = HK\$5.82.

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

Hong Kong, 29 July 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. 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.