



CHEUNG KONG (HOLDINGS) LIMITED
(incorporated in Hong Kong with limited liability)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
CK LIFE SCIENCES INT'L., (HOLDINGS) INC.
ON THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
CONDITIONAL PREFERENTIAL OFFER**

As referred to in the Announcement, it is expected that the Preferential Offer shall be made under the Proposed Spin-off. The register of members of Cheung Kong will be closed on Friday, 21st June, 2002 for the purpose of determining the entitlement of Cheung Kong Shareholders to the CKLS Shares under the Preferential Offer. No transfer of Cheung Kong Shares may be registered on that day. In order to qualify for the Preferential Offer, all transfer forms accompanied by the relevant share certificates must be lodged with the Registrar by no later than 4:00 p.m. on Thursday, 20th June, 2002.

Cheung Kong Shareholders and other investors should note that the Proposed Spin-off, which is subject to the approval of the GEM Listing Committee and the final decision of the Board, may or may not proceed. In particular, there is no assurance that approval from the GEM Listing Committee will be granted. If the Proposed Spin-off is not approved by the GEM Listing Committee or if the Proposed Spin-off does not proceed for any other reasons, the Preferential Offer will not be made and in such case no Qualifying Shareholders may subscribe for any Reserved Shares thereunder. Further, the Proposed Spin-off and the Share Offer will be subject to a number of conditions, as mentioned in the Announcement. Accordingly, Cheung Kong Shareholders and other investors are reminded to exercise caution when dealing in the securities of Cheung Kong.

CONDITIONAL PREFERENTIAL OFFER TO QUALIFYING SHAREHOLDERS

Reference is made to the Announcement in relation to the Proposed Spin-off. It is expected that subject to the GEM Listing Committee granting approval for the listing of, and permission to deal in, the CKLS Shares in issue and to be issued under the Share Offer on GEM, and the final decision of the Board to proceed with the Proposed Spin-off, Qualifying Shareholders will be invited to participate in the Proposed Spin-off by applying for a set number of Reserved Shares on an assured basis.

With a view to maintaining at least the minimum prescribed percentage of CKLS Shares in the hands of the public in compliance with the GEM Listing Rules immediately after the Proposed Spin-off, no Reserved Shares under the Preferential Offer will be offered to Li Ka-Shing Unity Trustee Company Limited ("TUT") as trustee of The Li Ka-Shing Unity Trust (the "LKS Unity Trust"), companies controlled by TUT as trustee of the LKS Unity Trust or any associate of Mr. Li Ka-shing. Instead, CKLS Shares to which such shareholders would have been entitled will be reallocated to the Preferential Offer. As a result, it is currently proposed that Qualifying Shareholders, other than TUT as trustee of the LKS Unity Trust, companies controlled by TUT as trustee of the LKS Unity Trust and any associate of Mr. Li Ka-shing, will be entitled to subscribe for one Reserved Share for every whole multiple of 25 Cheung Kong Shares (or such other number of Cheung Kong Shares as will be stated in the Prospectus) held by them at the close of business on the Record Date. Any Qualifying Shareholder holding less than 25 Cheung Kong Shares (or such other number of Cheung Kong Shares as will be stated in the Prospectus) will not be entitled to apply for the Reserved Shares. Any Reserved Shares not taken up by the Qualifying Shareholders will be reallocated first to satisfy the excess applications for Reserved Shares from Qualifying Shareholders on a fair and reasonable basis, and thereafter, at the discretion of the underwriters, to the placing and/or the public offer.

Cheung Kong Shareholders should note that the entitlement to Reserved Shares may represent CKLS Shares not in a whole multiple of a full board lot of CKLS Shares, and dealings in odd lot CKLS Shares may be below their prevailing market price. Entitlements to Reserved Shares are not transferrable and there will be no trading in nil-paid entitlements on the Stock Exchange. Any CKLS Shares to be issued pursuant to the Preferential Offer shall be fully paid, ranking pari passu in all respects with other CKLS Shares then in issue (except that CKLS Shares issued pursuant to the Preferential Offer will not be entitled to the Capitalisation Issue).

Assuming that all the Reserved Shares are taken up under the Preferential Offer, the number of CKLS Shares to be issued under the Preferential Offer will represent approximately 4.6% of the Share Offer and approximately 0.93% of the total issued share capital of CKLS assuming the Over-allotment Option is not exercised, and approximately 0.90% of the total issued share capital of CKLS assuming the Over-allotment Option is exercised in full.

CLOSURE OF REGISTER OF MEMBERS

The register of members of Cheung Kong will be closed on Friday, 21st June, 2002 for the purpose of determining the entitlement of Cheung Kong Shareholders to the Preferential Offer. No transfer of Cheung Kong Shares may be registered on that day. In order to qualify for the Preferential Offer, all transfer forms accompanied by the relevant share certificates must be lodged with the Registrar by no later than 4:00 p.m., on Thursday, 20th June, 2002. However, if the Proposed Spin-off is postponed, the Board may then determine another date(s) for closure of the register of members of Cheung Kong for the purpose of determination of entitlement to the Preferential Offer and further announcement will be made to inform the Cheung Kong Shareholders and other investors in due course.

If the Proposed Spin-off is not approved by the GEM Listing Committee or if the Proposed Spin-off does not proceed for any other reasons, the Preferential Offer will not be made and in such case no Qualifying Shareholders will be entitled to subscribe for any Reserved Shares thereunder.

GENERAL

The Board expects that, if the approval of the GEM Listing Committee is obtained and the Proposed Spin-off proceeds, the Prospectus containing, amongst other matters, details of the Preferential Offer, will be despatched to the Qualifying Shareholders in due course. Beneficial owners of Cheung Kong Shares whose shares are registered in the names of stockbrokers or nominees as at the Record Date may be approached by their stockbrokers or nominees with respect to applications for the Reserved Shares. Beneficial owners of Cheung Kong Shares who are in any doubt about applications for the Reserved Shares should consult their stockbrokers or nominees.

Further announcement will be made to update Cheung Kong Shareholders and investors of any significant development related to the Proposed Spin-off and the Preferential Offer.

Cheung Kong Shareholders should note that the decisions of the Board and the board of directors of CKLS to proceed with the Proposed Spin-off and Share Offer are dependent, inter alia, on market conditions prevailing at the time immediately before the proposed Share Offer. Further, there can be no assurance that the approval for the listing of and permission to deal in all the CKLS Shares on GEM will be granted by the GEM Listing Committee. **If the Proposed Spin-off is not approved by the GEM Listing Committee or if the Proposed Spin-off does not proceed for any other reasons, the Preferential Offer will not be made and in such case no Qualifying Shareholders may subscribe for any Reserved Shares thereunder.** Cheung Kong or CKLS will make a further announcement in relation to the Proposed Spin-off if and when appropriate. **Further, the Proposed Spin-off and the Share Offer will be subject to a number of conditions, as mentioned in the Announcement. As the Proposed Spin-off and Share Offer may or may not proceed, Cheung Kong Shareholders and other investors are reminded to exercise caution when dealing in the securities of Cheung Kong.**

DEFINITIONS

"Announcement"	the announcement dated 10th May, 2002 issued by Cheung Kong in relation to the Proposed Spin-off
"associate"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of directors of Cheung Kong
"Capitalisation Issue"	the issue of CKLS Shares to be made upon capitalisation of certain sums standing to the credit of the share premium account of CKLS, as further detailed in the Prospectus
"Cheung Kong"	Cheung Kong (Holdings) Limited
"Cheung Kong Shares"	shares of a par value of HK\$0.50 each in the share capital of Cheung Kong
"Cheung Kong Shareholders"	holders of Cheung Kong Shares
"CKLS"	CK Life Sciences Int'l., (Holdings) Inc., a company incorporated in the Cayman Islands with limited liability
"CKLS Group"	CKLS and its subsidiaries
"CKLS Shares"	shares of a par value of HK\$0.10 each in the share capital of CKLS
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
"GEM Listing Committee"	the listing sub-committee of the board of the Stock Exchange with responsibility for GEM
"Hong Kong"	the Hong Kong Special Administrative Region of The People's Republic of China
"Over-allotment Option"	an over-allotment option to be granted by CKLS to the sponsor (on behalf of the underwriters) of the Share Offer
"Overseas Shareholders"	Cheung Kong Shareholders whose addresses on the register of members of Cheung Kong were outside Hong Kong at the close of business on the Record Date
"Preferential Offer"	the proposed preferential offer to the Qualifying Shareholders for subscription of the Reserved Shares on and subject to the terms and conditions stated in the Prospectus and the related application form
"Proposed Spin-off"	the proposed spin-off and separate listing of CKLS Shares on GEM
"Prospectus"	the prospectus to be issued by CKLS in relation to the Share Offer
"Qualifying Shareholders"	holders of Cheung Kong Shares, whose names appeared on the register of members of Cheung Kong at the close of business on the Record Date, other than the Overseas Shareholders and US Shareholders
"Record Date"	Friday, 21st June, 2002, being the record date for ascertaining entitlement to the Preferential Offer
"Registrar"	Central Registration Hong Kong Limited of 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong
"Reserved Shares"	certain CKLS Shares to be offered pursuant to the Preferential Offer
"Share Offer"	the offer of shares in CKLS to the public in Hong Kong for subscription, the Preferential Offer and the placing of CKLS Shares with certain professional, institutional and other investors pursuant to the Proposed Spin-off
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US Shareholders"	Cheung Kong Shareholders who are US persons or who are within the United States (as such term are defined in Regulation S under the US Securities Act)

By Order of the Board
Cheung Kong (Holdings) Limited
Eirene Yeung
Company Secretary