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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: 0775)

**DISCLOSEABLE TRANSACTION
IN RESPECT OF
THE DISPOSAL OF THE BALRANALD VINEYARD**

On 9 July 2024:

- (i) the Property Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Land Sale Contract with the Purchaser for the disposal of the Balranald Vineyard located in New South Wales, Australia for a purchase price of AUD2,047,500 (equivalent to approximately HK\$10,565,100); and
- (ii) the Property Vendor and the NSW WAL Vendor, each being an indirect wholly-owned subsidiary of the Company, entered into the WAL Sale Agreements with the Purchaser for the disposal of the water access licences relating to the Balranald Vineyard, for an aggregate purchase price of AUD37,952,500 (equivalent to approximately HK\$195,834,900).

The completion of the WAL Sale Agreements is expected to take place on 12 July 2024 (or such other date as agreed between the parties in writing) and the completion of the Land Sale Contract is expected to take place in September 2024.

REASONS FOR, AND BENEFITS OF, THE DISPOSAL

The Property is a vineyard located in the Riverina Region of New South Wales, Australia, an inland wine growing region affected by an oversupply of grapes resulting from lower exports, especially to China. The Disposal enables the Company to further de-risk its portfolio of vineyards vis-à-vis industry trends.

Based on the above, the Directors are of the view that the terms of each of the Land Sale Contract and WAL Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As more than one of the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

A. INTRODUCTION

On 9 July 2024:

- (i) the Property Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Land Sale Contract with the Purchaser for the disposal of Balranald Vineyard located in New South Wales, Australia, for a purchase price of AUD2,047,500 (equivalent to approximately HK\$10,565,100); and
- (ii) the Property Vendor and the NSW WAL Vendor, each being an indirect wholly-owned subsidiary of the Company, entered into the WAL Sale Agreements with the Purchaser for the disposal of the Property WAL and the NSW WAL, for an aggregate purchase price of AUD37,952,500 (equivalent to approximately HK\$195,834,900).

B. THE LAND SALE CONTRACT

Date

9 July 2024

Parties

- (i) the Property Vendor; and
- (ii) the Purchaser.

Subject Matter

The Property Vendor agreed to sell, and the Purchaser agreed to purchase the Property, which includes the Land and related infrastructure and improvements.

The Property is the Balranald Vineyard which is located at Ivanhoe Road, Balranald, New South Wales, Australia. The Balranald Vineyard has an aggregated site area of 547.31 hectares and yields between 11,000 and 13,000 tonnes of grapes annually, predominantly red varieties.

Purchase Price and Payment Terms

The purchase price for the Property is AUD2,047,500 (equivalent to approximately HK\$10,565,100) (the “**Property Purchase Price**”).

The Property Purchase Price is payable by the Purchaser to the Property Vendor as follows:

- (i) a deposit of AUD102,375 (equivalent to approximately HK\$528,255), being 5% of the Property Purchase Price, will be paid by the Purchaser to the Property Vendor’s solicitor as stakeholder by cash, cheque or electronic funds transfer to the nominated account on the date of the Land Sale Contract; and
- (ii) the balance of AUD1,945,125 (equivalent to approximately HK\$10,036,845) will be paid by the Purchaser to the Property Vendor by cash, cheque or electronic funds transfer on the date of completion of the Land Sale Contract.

The Property Purchase Price was determined after arm’s length negotiations between the parties with reference to the valuation of the Property as at 31 December 2023 conducted by an independent valuer.

Conditions Precedent

The completion of the Land Sale Contract is conditional on the Property Vendor arranging prior to completion (i) the surrender of the lease registered on the title of the Property with the New South Wales Land Registry Services so that the Property will be sold with vacant possession; (ii) the withdrawal of caveats registered on the title to the Property; (iii) an easement for pipeline and irrigation channel from the Property through the neighbouring lot; and (iv) the transfer of the crown licence or the successful revocation and issue of a new crown licence to the Purchaser.

If the conditions precedent are not satisfied or waived by the Purchaser on or before the date which is nine months from the date of the Land Sale Contract, either party may rescind the Land Sale Contract by written notice.

Completion

Completion will occur ten business days after satisfaction or waiver of all the conditions precedent.

The completion of the Land Sale Contract is expected to take place in September 2024.

C. THE WAL SALE AGREEMENTS

The WAL Sale Agreements are in substantially the same terms as set out below.

Date

9 July 2024

Parties

- (i) the Property Vendor (in respect of the Property WAL) or the NSW WAL Vendor (in respect of the NSW WAL); and
- (ii) the Purchaser.

Subject Matter

The Property Vendor and the NSW WAL Vendor agreed to sell, and the Purchaser agreed to purchase, the Property WAL and the NSW WAL, respectively.

Purchase Price and Payment Terms

The purchase price for the Property WAL is AUD34,425,000 (equivalent to approximately HK\$177,633,000) (the “**Property WAL Purchase Price**”), which is payable by the Purchaser to the Property Vendor as follows:

- (i) a deposit of AUD1,721,250 (equivalent to approximately HK\$8,881,650), being 5% of the Property WAL Purchase Price, will be paid by the Purchaser to the Property Vendor’s solicitor’s trust account on or before the date of the Property WAL Sale Agreement and released to the Property Vendor upon completion; and
- (ii) the balance of AUD32,703,750 (equivalent to approximately HK\$168,751,350) will be paid by the Purchaser to the Property Vendor by electronic funds transfer to the account nominated by the Property Vendor in writing in immediately available and cleared funds on the date of completion of the Property WAL Sale Agreement.

The Property WAL Purchase Price was determined after arm's length negotiations between the parties with reference to the valuation of the Property WAL as at 31 December 2023 conducted by an independent valuer.

The purchase price for the NSW WAL is AUD3,527,500 (equivalent to approximately HK\$18,201,900) (the "NSW WAL Purchase Price"), which is payable by the Purchaser to the NSW WAL Vendor as follows:

- (i) a deposit of AUD176,375 (equivalent to approximately HK\$910,095), being 5% of the NSW WAL Purchase Price, will be paid by the Purchaser to the NSW WAL Vendor's solicitor's trust account on or before the date of the NSW WAL Sale Agreement and released to the NSW WAL Vendor upon completion; and
- (ii) the balance of AUD3,351,125 (equivalent to approximately HK\$17,291,805) will be paid by the Purchaser to the NSW WAL Vendor by electronic funds transfer to the account nominated by the NSW WAL Vendor in writing in immediately available and cleared funds on the date of completion of the NSW WAL Sale Agreement.

The NSW WAL Purchase Price was determined after arm's length negotiations between the parties with reference to the valuation of the NSW WAL as at 31 December 2023 conducted by an independent valuer.

Completion

The completion of the WAL Sale Agreements is expected to take place on 12 July 2024 (or such other date as agreed between the parties in writing).

D. REASONS FOR, AND BENEFITS OF, THE DISPOSAL

The Property is a vineyard located in the Riverina Region of New South Wales, Australia, an inland wine growing region affected by an oversupply of grapes resulting from lower exports, especially to China. The Disposal enables the Company to further de-risk its portfolio of vineyards vis-à-vis industry trends.

Based on the above, the Directors are of the view that the terms of each of the Land Sale Contract and WAL Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its shareholders as a whole.

E. IMPLICATIONS UNDER THE LISTING RULES

As more than one of the applicable percentage ratios as calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

F. INFORMATION ON THE PARTIES

The Group

The principal activities of the Company are investment holding and the activities of its subsidiaries are research and development, manufacturing, commercialisation, marketing, sale of, and investment in, nutraceuticals, pharmaceuticals and agriculture-related products and assets as well as investment in various financial and investment products.

The Property Vendor is a company incorporated under the laws of Australia with limited liability and an indirect wholly-owned subsidiary of the Company (as trustee for McGuigan Simeon Trust), which is principally engaged in investment in vineyards.

The NSW WAL Vendor is a company incorporated under the laws of Australia with limited liability and an indirect wholly-owned subsidiary of the Company (as trustee for Belvino Investments Trust), which is principally engaged in investment in vineyards.

Based on the unaudited accounts of the Property Vendor and the NSW WAL Vendor, the unaudited net profits attributable to the Disposal Assets before taxation for the two years ended 31 December 2022 and 31 December 2023 are AUD2,168,737 (equivalent to approximately HK\$11,190,683) and AUD2,229,222 (equivalent to approximately HK\$11,502,786), respectively.

The unaudited asset value of the Disposal Assets as at 31 December 2023 was approximately AUD31,811,115 (equivalent to approximately HK\$164,145,353). The valuation of the Disposal Assets as at 31 December 2023 by the independent valuer was AUD38,681,250 (equivalent to approximately HK\$199,595,250).

The Company expects to record a gain on disposal of approximately AUD8,188,885 (equivalent to approximately HK\$42,254,647) based on the difference between the aggregate of the Property Purchase Price, the Property WAL Purchase Price and the NSW WAL Purchase Price, and the net asset value of the Disposal Assets as at 31 December 2023 before transaction costs. The Company intends to use the proceeds from the Disposal for repayment of debt and general working capital of the Group.

The Purchaser

The Purchaser is a company incorporated under the laws of Australia with limited liability as trustee for Riverina Property Trust, and a subsidiary of GO.FARM Australia, an Australian owned, high-conviction agricultural investor, developer and manager underpinned by a purpose to transform Australian agriculture, with expertise in land-use change, asset reconfiguration and investment in people, technology, productivity and sustainability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and the ultimate beneficial owner of the Purchaser are third parties independent of the Company and connected persons of the Company.

G. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“AUD”	Australian dollars, the lawful currency of Australia
“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, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0775)
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property, the Property WAL and the NSW WAL pursuant to the Land Sale Contract and the WAL Sale Agreements
“Disposal Assets”	collectively, the Property, the Property WAL and the NSW WAL

“Group”	the Company and its subsidiaries from time to time
“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
“Land”	the plots of land located in Balranald, NSW 2715, comprised in the certificates of title Lots 3-10 DP 848352 and Lots 12-17 DP 848352
“Land Sale Contract”	the contract for sale and purchase dated 9 July 2024 entered into between the Property Vendor and the Purchaser for the disposal of the Property
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NSW WAL”	the water access licence (WAL3962) comprising 415 units of water share components to the Murrumbidgee Regulated River Water Source
“NSW WAL Sale Agreement”	the water sale agreement dated 9 July 2024 entered into between the NSW WAL Vendor and the Purchaser for the disposal of the NSW WAL
“NSW WAL Vendor”	Belvino Investments Pty Limited (ACN 147 114 387), a company incorporated under the laws of Australia with limited liability and an indirect wholly-owned subsidiary of the Company, as trustee for Belvino Investments Trust (ABN 96 628 370 894), a trust established under the laws of Australia
“Property”	the Balranald Vineyard located at Ivanhoe Road, Balranald, New South Wales, Australia
“Property Vendor”	Belvino Investments No.2 Pty Limited (ACN 149 254 919), a company incorporated under the laws of Australia with limited liability and an indirect wholly-owned subsidiary of the Company, as trustee for McGuigan Simeon Trust (ABN 76 965 280 510), a trust established under the laws of Australia
“Property WAL”	the water access licence (WAL8307) comprising 4,050 units of water share components to the Murrumbidgee Regulated River Water Source
“Property WAL Sale Agreement”	the water sale agreement dated 9 July 2024 entered into between the Property Vendor and the Purchaser for the disposal of the Property WAL
“Purchaser”	Go.Farm Securities Pty Ltd (ACN 623 110 529), a company incorporated under the laws of Australia with limited liability, as trustee for Riverina Property Trust (ABN 79 242 551 332), a trust established under the laws of Australia
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“WAL Sale Agreements” the Property WAL Sale Agreement and the NSW WAL Sale Agreement

“%” per cent.

For the purpose of illustration only, AUD to HK\$ is translated at a rate of AUD1.00 = HK\$5.16.

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

Hong Kong, 9 July 2024

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 and Dr. Toh Kean Meng, Melvin; and the Non-executive Directors are Mr. Peter Peace Tulloch, Mrs. Kwok Eva Lee (Independent Non-executive Director), Mr. Kwan Kai Cheong (Independent Non-executive Director), Mr. Paul Joseph Tighe (Independent Non-executive Director) and Mr. Donald Jeffrey Roberts (Independent Non-executive Director).