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# JACKLEY HOLDINGS LIMITED

## 美吉利國際控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

### SUBSCRIPTION FOR NEW SHARES AND APPOINTMENT OF NEW DIRECTOR AND RESUMPTION OF TRADING

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe at HK\$0.30 per Share in cash for 249,000,000 Shares, representing 20% of the existing issued share capital of 1,245,000,000 Shares and approximately 16.67% of the issued share capital of the Company as enlarged by the Subscription.

The net proceeds from the Subscription, estimated to be HK\$73,524,980, will be used as the general working capital of the Group.

The Board is pleased to announce that Mr. Anthony Henry Serra has been appointed as an executive director to the Board with effect from 16 April 2003.

At the request of the Company, trading in the Shares of the Company has been suspended since 9:30 a.m. on 16 April 2003 pending release of this announcement and the Company has applied to the Stock Exchange to resume trading of the Shares from 9:30 a.m. on 24 April 2003.

Shareholders and investors are advised to exercise caution when dealing in the Shares as the Subscriber has not paid any part of the Subscription consideration, the Subscription Agreement may or may not complete.

#### **Subscription for new Shares**

Date of Subscription Agreement:	15 April 2003
Subscriber:	Chricton Holdings Sdn. Bhd.
Issuer:	the Company
No. of new Shares:	249,000,000
Issue price:	HK\$0.30 per Share

Pursuant to the terms of the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for 249,000,000 new Shares, representing 20% of the existing issued share capital of 1,245,000,000 Shares and 16.67% of the issued share capital of the Company as enlarged by the Subscription, at HK\$0.30 per Share in cash.

The Subscriber has confirmed to the Company that it together with its beneficial owner and associate of any of them do not own any shareholding interest in the Company (including its subsidiaries and associated companies) and are not connected persons (as defined under the Listing Rules) to the Company.

The Company has been informed that the Subscriber is established as an investment company and an international business corporation whose activities encompass a variety of international financial services and operations. The Company has also been informed that the Subscriber is backed financially by South America's Central Bank of Brazil, and Pension Funds Services Inc. of North America and that the Subscriber intends to establish and source for a portfolio of operating businesses in China and Hong Kong and other countries in the Asia Pacific region.

The Subscription price has been agreed after arm's length negotiation between the Company and the Subscriber and with reference to the current market price of the Shares.

The consideration of HK\$0.30 per Share represents (i) a premium of approximately 74.42% to the closing Share price of HK\$0.172 per Share as quoted on the Stock Exchange on 15 April 2003, being the last trading day prior to the suspension of trading of the Shares on 16 April 2003; and (ii) a premium of approximately 82.93% to the average closing Share price of approximately HK\$0.164 for the last ten trading days up to and including 16 April 2003.

Pursuant to the Subscription Agreement, the Subscriber agrees to pay to the Company the entire amount of the Subscription consideration of HK\$74,700,000 on or before 25 April 2003 (or such later date as the Company may agree in writing) and if the Subscriber fails to pay the Subscription consideration or complete the Subscription Agreement for any reason (other than the default of the Company), the Company shall be at liberty if the Company sees fit to terminate the Subscription Agreement, without prejudice to the Company's rights to recover further damages suffered by the Company which may result from the Subscriber's breach of the Subscription Agreement.

### **Condition and completion**

The Subscription is conditional upon the Stock Exchange granting the listing of and the permission to deal in the new Shares to be issued pursuant to the Subscription on or before 15 May 2003 or such later date as the parties may agree, and its completion is expected to take place on the 3rd Business Day after such approval is granted.

### **Application of proceeds**

The estimated net proceeds from the Subscription of HK\$73,524,980 (net of expenses) will be used as the general working capital of the Group.

### **Reason for the Subscription**

Following completion of the Subscription, a strategic shareholding of approximately 16.67% of the issued Shares will be held by an international investment company i.e. the Subscriber. In addition, the Board considers that the Subscription is in the interest of the Company as it will improve the financial position and enlarge the capital base of the Company. The Board also considers that the terms of the Subscription Agreement are fair and reasonable as far as the Shareholders are concerned.

## Effect on the shareholding

The effect on the shareholding structure of the Company following completion of the Subscription is shown below:

Shareholders	Existing shareholding as at the date of this Announcement		Shareholding upon completion of Subscription	
	Shares	%	Shares	%
Lam Yat Sing ( <i>Note</i> )	736,925,000	59.19	736,925,000	49.33
Public	508,075,000	40.81	508,075,000	34.00
Chricton Holdings Sdn. Bhd.	0	0.00	249,000,000	16.67
Total	<u>1,245,000,000</u>	<u>100.00</u>	<u>1,494,000,000</u>	<u>100.00</u>

*Note: According to the register of interests required to be kept by the Company pursuant to section 352(1) of the Securities and Futures Ordinance (Cap. 571), Mr. Lam Yat Sing, the chairman of the Board, has interest in 736,925,000 Shares held by companies beneficially owned by him.*

## General mandate

The Shares under the Subscription will be allotted and issued pursuant to the general mandate granted to the Board by the Shareholders at the annual general meeting held on 6 June 2002 and will rank pari passu in all respects with the Shares in issue as at the date of the allotment. No Shares have been allotted or repurchased under the general mandate since its grant.

Upon completion of the Subscription, the Subscriber will become a substantial shareholder of the Company, who will hold approximately 16.67% of the enlarged issued share capital of the Company.

## Appointment of director

The Subscriber has appointed Mr. Anthony Henry Serra as an executive director to the Board with effect from 16 April 2003. The Board originally comprised of 8 directors, after the appointment of Mr. Anthony Henry Serra, the Board now comprises of 9 directors. In the event that the Subscription Agreement is not completed, the Board intends to retain Mr. Anthony Henry Serra as a non-executive director of the Company.

## General

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the Subscription.

At the request of the Company, trading in the Shares of the Company has been suspended since 9:30 a.m. on 16 April 2003 pending the release of this announcement and the Company has applied to the Stock Exchange to resume trading of the Shares from 9:30 a.m. on 24 April 2003.

Shareholders and investors are advised to exercise caution when dealing in the Shares as the Subscriber has not paid any part of the Subscription consideration, the Subscription Agreement may or may not complete.

## Definitions

“Board”	the board of directors of the Company
“Business Day”	a day (other than a Saturday) on which banks are generally open for business in Hong Kong
“China”	The People’s Republic of China
“Company”	Jackley Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Chricton Holdings Sdn. Bhd., a private company incorporated in Malaysia with limited liability
“Subscription”	the subscription by the Subscriber for 249,000,000 new Shares pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional agreement dated 15 April 2003 between the Company and the Subscriber in relation to the Subscription, and as supplemented by a supplemental agreement dated 17 April 2003 made between the Company and the Subscriber
“HK\$”	Hong Kong dollars

By Order of the Board of  
**JACKLEY HOLDINGS LIMITED**  
**Wong Kwai Wah**  
*Director*

Hong Kong, 23 April 2003

\* *For identification purpose only*

Please also refer to the published version of this announcement in The Standard.