



JACKLEY HOLDINGS LIMITED

美吉利國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

FURTHER EXTENSION OF TIME UNDER THE SUBSCRIPTION AGREEMENT AND RESUMPTION OF TRADING

Reference is made to the announcements of the Company dated 23 April 2003, 25 April 2003 and 5 May 2003.

Pursuant to a third extension letter made between the Subscriber and the Company on 17 May 2003, the date for payment of the subscription consideration of HK\$74,700,000 be further extended from 17 May 2003 to 31 May 2003 or such later date as the Company may agree in writing and the date for fulfilling the Condition under the Subscription Agreement be further extended from 30 May 2003 to 13 June 2003 or such later date as the parties may agree in writing.

At the request of the Company, trading in the Shares of the Company has been suspended since 9:30 a.m. on 19 May 2003 pending release of this announcement and the Company has applied to the Stock Exchange of Hong Kong Limited to resume trading of the Shares from 9:30 a.m. on 23 May 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 under the Subscription Agreement which may or may not complete.

Reference is made to the announcements of the Company dated 23 April 2003, 25 April 2003 and 5 May 2003 relating to the Subscription Agreement under which the Subscriber has conditionally agreed to subscribe for 249,000,000 Shares of HK\$74,700,000 cash in the Company at HK\$0.30 per Share.

The Subscriber had informed the Company that it is obtaining regulatory clearance from the authorities in the United States of America and relevant financial institutions in Germany for the transfer of the subscription consideration of HK\$74,700,000 together with remittance for its other investment projects in the region from Germany in the currency of the United States of America. The Directors understand that the delay in the transfer of the funds is caused by the regulatory clearance by the financial institutions involved. The Company has been further informed that all the formalities for the transfer of funds have now been completed and the funds are expected to be remitted on or before 31 May 2003.

The Directors consider the reason for seeking the extension is genuine and that terminating the Subscription Agreement will not be in the best interest of the Company and its shareholders. The Directors believe if the extension is not granted, the Company would be denied the opportunity of raising financing on comparable terms and in the present circumstances, the position of the shareholders and the assets of the Company will not be prejudiced as the Subscription Agreement would not be completed and Shares would not be issued until the subscription consideration has been paid in full. Hence, the Directors are of the view that granting a further extension is in the best interest of the Company and its shareholders. The Directors also consider that the terms of the Subscription Agreement are in the best interest of the Company taking into account the general market sentiment in Hong Kong. Accordingly, the Company consented to an extension on the date for payment of the subscription consideration.

Pursuant to a third extension letter made between the Subscriber and the Company on 17 May 2003, certain dates as set out in the Subscription Agreement are further extended as provided for under the Subscription Agreement as follows:

- (a) the date for payment of the subscription consideration be further extended from 17 May 2003 to 31 May 2003 or such later date as the Company may agree in writing; and
- (b) the date for fulfilling the Condition under the Subscription Agreement be further extended from 30 May 2003 to 13 June 2003 or such later date as the parties may agree in writing.

Save for the extensions as agreed hereto, all provisions of the Subscription Agreement shall remain unchanged and the Subscription Agreement shall continue in full force and effect and shall continue to be binding upon the parties hereto.

At the request of the Company, trading in the Shares of the Company has been suspended since 9:30 a.m. on 19 May 2003 pending release of this announcement and the Company has applied to the Stock Exchange of Hong Kong Limited to resume trading of the Shares from 9:30 a.m. on 23 May 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 under the Subscription Agreement which may or may not complete.

DEFINITIONS

"Company"	Jackley Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange of Hong Kong Limited
"Condition"	condition precedent under the Subscription Agreement being to obtain the grant from The Stock Exchange of Hong Kong Limited of Hong Kong Ltd. for the listing of and permission to deal in the new Shares to be issued under the Subscription Agreement
"Directors"	the directors of the Company
"Share(s)"	share(s) of HK\$0.10 each in the capital of the Company
"Subscriber"	Chricton Holdings Sdn. Bhd., a private company incorporated in Malaysia with limited liability
"Subscription Agreement"	the conditional agreement dated 15 April 2003 between the Company and the Subscriber in relation to the Subscription, and as supplemented by supplemental agreement dated 17 April 2003, extension letter dated 25 April 2003 and extension letter dated 3 May 2003 made between the Company and the Subscriber
"HK\$"	Hong Kong dollars

By Order of the Board of
JACKLEY HOLDINGS LIMITED
Wong Kwai Wah
Executive Director and Chief Executive Officer