



Prime Orient International Limited

(Incorporated in the British Virgin Islands with limited liability)

JACKLEY HOLDINGS LIMITED

美吉利國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 353)

JOINT ANNOUNCEMENT

(1) Close of the mandatory conditional cash offer by



KINGSTON SECURITIES LIMITED

on behalf of Prime Orient International Limited
to acquire all the issued shares in Jackley Holdings Limited
(other than those already owned by

Prime Orient International Limited and parties acting in concert with it);
and

(2) resignation of directors of Jackley Holdings Limited

**FINANCIAL ADVISER TO
PRIME ORIENT INTERNATIONAL LIMITED**



KINGSTON CORPORATE FINANCE LIMITED

**FINANCIAL ADVISER TO
JACKLEY HOLDINGS LIMITED**



SOMERLEY LIMITED

The Offer made by Kingston Securities on behalf of the Offeror closed at 4:00 p.m. on Monday, 23 August 2004, being the latest time for acceptance of the Offer. Up to and upon the close of the Offer, the Offeror had received one valid acceptance in respect of 902,000 Shares, representing approximately 0.072% of the total 1,245,000,000 issued Shares. Since the Offer did not result in the Offeror and parties acting in concert with it having more than 50% of the voting rights of the Company, the Offer did not become unconditional. The Offeror did not extend the period of the Offer and the Offer therefore lapsed on the first closing date of the Offer.

Immediately before the commencement of the Offer, the Offeror and parties acting in concert with it together held 511,725,000 Shares, representing approximately 41.10% of the then issued share capital of the Company. Given that there has been no change in the issued share capital of the Company since the commencement of the Offer, and as the Offer has lapsed and the Offeror and parties acting in concert with it did not acquire any Shares during the Offer period, the shareholding structure of the Company remained unchanged throughout and upon the lapse of the Offer.

As a result of the change in control of the Company, three executive Directors namely Mr. Anthony Henry Serra, Mr. Khoo Chuan Teng and Mr. Chew Kean Eng has resigned from their respective positions with effect from 24 August 2004. Each of the aforesaid resigning Directors has confirmed that he does not consider there being any matters that need to be brought to the attention of Shareholders.

Reference is made to the offer document dated 26 July 2004 (the "Offer Document") and the Company's response document dated 9 August 2004 (the "Offeree Document") issued respectively by the Offeror and the Company. Capitalised terms used in this announcement shall have the same meanings as those defined in the Offer Document and the Offeree Document unless otherwise defined herein.

LAPSE OF THE OFFER

The Offer made by Kingston Securities on behalf of the Offeror closed at 4:00 p.m. on Monday, 23 August 2004, being the latest time for acceptance of the Offer. Up to and upon the close of the Offer, the Offeror had received one valid acceptance in respect of 902,000 Shares, representing approximately 0.072% of the total 1,245,000,000 issued Shares. Since the Offer did not result in the Offeror and parties acting in concert with it having more than 50% of the voting rights of the Company, the Offer did not become unconditional. The Offeror did not extend the period of the Offer and therefore the Offer lapsed on the first closing date of the Offer.

As the Offer has lapsed, the Offeror will, as soon as possible and in any event within 10 days from the date hereof, post the share certificate(s) (if any) lodged with the Form(s) of Acceptance to, or make such share certificate(s) (if any) available for collection by, the accepting Shareholder.

SHAREHOLDINGS AND PUBLIC FLOAT OF SHARES

Immediately before the commencement of the Offer, the Offeror and parties acting in concert with it together held 511,725,000 Shares, representing approximately 41.10% of the then issued share capital of the Company. Given that there has been no change in the issued share capital of the Company since the commencement of the Offer, and as the Offer has lapsed and the Offeror and parties acting in concert with it did not acquire any Shares during the Offer period, the shareholding structure of the Company remained unchanged throughout and upon the lapse of the Offer.

The table below sets out the shareholding structure of the Company immediately before and after the close of the Offer:

	Number of Shares held immediately before the close of the Offer	Number of Shares held immediately after the close of the Offer	Approximate percentage of shareholding
The Offeror	511,725,000	511,725,000	41.10%
Brilliant Path	110,000,000	110,000,000	8.84%
Other public Shareholders	623,275,000	623,275,000	50.06%
Total	1,245,000,000	1,245,000,000	100.00%

The minimum public float requirement of not less than 25% of the issued share capital of the Company under the Listing Rules is satisfied.

RESIGNATION OF DIRECTORS

As a result of the change in control of the Company, three executive Directors namely Mr. Anthony Henry Serra, Mr. Khoo Chuan Teng and Mr. Chew Kean Eng has resigned from their respective positions with effect from 24 August 2004. Each of the aforesaid resigning Directors has confirmed that he does not consider there being any matters that need to be brought to the attention of Shareholders.

The Board would like to express their gratitude to the resigning Directors for their services and contribution to the Company during their respective terms of office.

By order of the sole director of
Prime Orient International Limited
Mr. Lam Shu Chung

By order of the board of
Jackley Holdings Limited
Mr. Lam Shu Chung
Director

Hong Kong, 23 August 2004

* For identification purpose only

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement, other than that relating to the Group, and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement, other than those relating to the Group, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than that relating to the Offeror, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, other than that relating to the Offeror, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the executive Directors are Mr. Anthony Henry Serra, Mr. Khoo Chuan Teng, Mr. Chew Kean Eng, Mr. Lam Shu Chung and Mr. Law Fei Shing and the independent non-executive Directors are Mr. Liu Ngai Wing, Mr. Ong Hong Hoon, Mr. Lee Siu Leung and Mr. Ha Chun, Michael.