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巨騰國際控股有限公司
JU TENG INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3336)

EXTENSION OF MATERIAL PURCHASE AGREEMENT
REVISION OF ANNUAL CAPS UNDER MASTER SALES AGREEMENT
CONTINUING CONNECTED TRANSACTIONS

EXTENSION OF EXISTING MATERIAL PURCHASE AGREEMENT WITH SAN LI

Continuing connected transactions with San Li

Reference is made to the paragraph headed "Continuing connected transactions" in the section headed "Business" of the prospectus of the Company dated 25 October 2005 in relation to the purchase of production materials by the Group from San Li prior to the Listing.

Pursuant to the Existing Material Purchase Agreement, the Group had purchased production materials from time to time produced and/or supplied by San Li on an on-going and recurring basis. The Existing Material Purchase Agreement has a term expiring on 31 December 2007 unless terminated earlier by three months' written notice by either party, and remains in full force and effect as at the date of this announcement.

Based on the recent projection on the purchase of production materials from San Li under the Existing Material Purchase Agreement, the Directors note that the continuing connected transactions under the Existing Material Purchase Agreement will continue after the expiry on 31 December 2007. Therefore, on 22 October 2007, Gi Li (for itself and on behalf of the members of the Group) entered into the New Material Purchase Agreement with San Li to ensure continual supply of production materials by San Li after the expiry of the terms of the Existing Material Purchase Agreement.

As the applicable percentage ratios for the expected annual caps for the purchases under the New Material Purchase Agreement for each of the three years ending 31 December 2010 are expected to be more than 0.1% but less than 2.5% of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules, the purchases under the New Material Purchase Agreement with the expected annual caps for each of the three years ending 31 December 2010 are only subject to reporting and announcement requirements under Chapter 14A of the Listing Rules.

REVISION OF ANNUAL CAPS UNDER MASTER SALES AGREEMENT

Continuing Connected Transactions with Wistron

Reference is made to the announcements of the Company dated 27 March 2006 and 27 September 2006. Pursuant to the Master Sales Agreement, the Group has been selling the Products to the Wistron Group on an on-going basis, and the continuing connected transactions under the Master Sales Agreement and the Approved Caps had been approved by way of a written approval from a closely allied group of Shareholders holding more than 50% of the issued share capital of the Company.

Taken into accounts of the sales of the Products by the Group to the Wistron Group for the eight months ended 31 August 2007 and the recent estimation of the demand of the Products by the Wistron Group, the Directors note that the demand of the Products by the Wistron Group have been growing in a fast pace and the aggregate values of the continuing connected transactions are expected to exceed the Approved Caps. In such regards, the Company proposes to revise the annual caps for the continuing connected transactions under the Master Sales Agreement to cater for the recent increasing demand of the Products by the Wistron Group for each of the two years ending 31 December 2008.

As the applicable percentage ratios for the Revised Caps for each of the two years ending 31 December 2008 are expected to exceed 2.5% and the annual consideration receivable from the Wistron Group in respect of the continuing connected transactions is expected to exceed HK$10 million, the continuing connected transactions under the Master Sales Agreement with the Revised Caps constitute non-exempt continuing connected transactions of the Company under Rule 14A.35 of the Listing Rules and such transactions and the Revised Caps are subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

A circular including, among other information, (i) a letter from the Board containing further information on the continuing connected transactions under the Master Sales Agreement with the Revised Caps; (ii) a letter from an independent financial adviser containing its advice in connection with the continuing connected transactions under the Master Sales Agreement with the Revised Caps to the Independent Board Committee and Independent Shareholders; (iii) recommendations of the Independent Board Committee to the independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

EXTENSION OF EXISTING MATERIAL PURCHASE AGREEMENT WITH SAN LI

Background

Reference is made to the paragraph headed "Continuing connected transactions" in the section headed "Business" of the prospectus of the Company dated 25 October 2005 in relation to the purchase of production materials by the Group from San Li prior to the Listing. During each of the three years ended 31 December 2006 and the eight months ended 31 August 2007, the purchase of production materials from San Li by the Group amounted to approximately HK$15.8 million, HK$22.4 million, HK$22.2 million and HK$6.1 million, respectively.

Pursuant to the Existing Material Purchase Agreement, the Group had purchased production materials from time to time produced and/or supplied by San Li on an on-going and recurring basis. The Existing Material Purchase Agreement has a term expiring on 31 December 2007 unless terminated earlier by three months' written notice by either party, and remains in full force and effect as at the date of this announcement.

Based on the recent projection on the purchase of production materials from San Li under the Existing Material Purchase Agreement, the Directors note that the continuing connected transactions under the Existing Material Purchase Agreement will continue after the expiry on 31 December 2007. Therefore, on 22 October 2007, Gi Li (for itself and on behalf of the members of the Group) entered into the New Material Purchase Agreement with San Li to ensure continual supply of production materials by San Li after the expiry of the term of the Existing Material Purchase Agreement.

Principal terms of the New Material Purchase Agreement

Pursuant to the New Material Purchase Agreement, the Group agreed to purchase the production materials from time to time supplied and/or produced by San Li at prices to be determined from time to time by the parties with reference to the market prices and on such terms of purchases based principally on the standard terms of sales of San Li from time to time, provided that such terms are on normal and usual commercial terms and are no less favourable as those applicable to the sale of same type of production materials by San Li to Independent Third Parties. Purchase price for the production materials shall be payable by the Group in arrears after the delivery of the production materials to the Group and within 120 days after the issue of invoice by San Li. The New Material Purchase Agreement has a term of three year commencing from 1 January 2008 and ending 31 December 2010, unless terminated earlier by three months' written notice by either party.

The terms of the New Material Purchase Agreement were arrived at after arm's length negotiation between the Group and San Li and are fair and reasonable so far as the Group and Shareholders are concerned.

Existing caps and annual caps for the three years ending 31 December 2010

For each of the two years ended 31 December 2006 and the year ending 31 December 2007, the annual caps under the Existing Material Purchase Agreement were HK$23 million, HK$30 million and HK$35 million, respectively. The Directors expect that the annual caps of purchase of production materials by the Group from San Li for each of the three years ending 31 December 2010 will be HK$23 million.

The proposed maximum caps for each of the three years ending 31 December 2010 are determined by the Company based on the following major factors:

1. the amount of purchase from San Li for each of the three years ended 31 December 2006;

2. the pattern for the purchase of production materials from San Li for each of the three years ended 31 December 2006;

3. the amount of purchase from San Li for the eight months ended 31 August 2007; and

4. a steady demand by the Group for the production materials produced and/or supplied by San Li for each of the two years ended 31 December 2006.

Reasons for the continuing connected transactions

The Group has been principally engaged in the manufacturing and sale of notebook computer castings, parts and other related materials. The products of the Group also include castings for LCD PCs, digital cameras and game consoles. San Li is principally engaged in spray painting of electronic consumer product casings with its production facilities in Taiwan.

As mentioned in the prospectus of the Company dated 25 October 2005, the Group and San Li have certain customers which have historically requested their suppliers to purchase requisite production materials from designated suppliers for production purpose. As a result, the Group and San Li have certain common suppliers. Since San Li can obtain bulk discounts when purchasing these production materials, San Li would obtain production materials from these suppliers which are mainly located in Taiwan, and re-offered the same on similar terms to the Group, which has resulted in the Group paying lower prices than if the Group had purchased the requisite production materials directly from the designated suppliers.

The Directors consider that the entering into the New Material Purchase Agreement can legitimate the purchase of the production materials from San Li and will be beneficial to the cost control of the Group.

The Directors (including the independent non-executive Directors) are of the view that the expected annual caps for each of the three years ending 31 December 2010 are fair and reasonable, and the terms of the New Material Purchase Agreement are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Requirements under the Listing Rules

As the entire issued share capital of San Li is beneficially owned by Mr. Cheng Li-Yu, the Chairman and an executive Director, and his family members, San Li is a connected person of the Company, and therefore the purchases under the New Material Purchase Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the annual caps for the purchases under the New Material Purchase Agreement for each of the three years ending 31 December 2010 are expected to be more than 0.1% but less than 2.5% of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules, the purchases under the New Material Purchase Agreement with the expected annual caps for each of the three years ending 31 December 2010 are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

REVISION OF ANNUAL CAPS UNDER MASTER SALES AGREEMENT

Background

Reference is made to the announcements of the Company dated 27 March 2006 and 27 September 2006. Pursuant to the Master Sales Agreement, the Group has been selling the Products to the Wistron Group on an on-going basis, and the continuing connected transactions under the Master Sales Agreement and the Approved Caps had been approved by way of a written approval from a closely allied group of Shareholders holding more than 50% of the issued share capital of the Company.

For the year ended 31 December 2006 and the eight months ended 31 August 2007, the sales of the Products by the Group to the Wistron Group amounted to approximately HK$715 million and HK$697 million, respectively. As at the date of this announcement, the Approved Cap for the year ending 31 December 2007 has not been exceeded.

Principal terms of the Master Sales Agreement

The Master Sales Agreement was entered into between Giant Glory (for itself and on behalf of the other member of the Group) and Wistron (for itself and on behalf of the other members of the Wistron Group) on 27 March 2006, pursuant to which the Group agreed to sell the Products to the Wistron or other members of the Wistron Group at prices to be determined from time to time by the Group and Wistron (for itself and on behalf of the other members of the Wistron Group) with reference to the market prices and on such terms that are no more favourable than those applicable to the sales of the Products by the Group to Independent Third Parties. Payment for the Products to the Wistron Group have generally been made in arrears after the delivery of the Products. The Master Sales Agreement is for a period from 27 March 2006 to 31 December 2008 unless terminated earlier according to the terms and conditions of the Master Sales Agreement.

The terms of the Master Sales Agreement were arrived at after arm's length negotiation between the Group and Wistron and are fair and reasonable so far as the Group and the Shareholders are concerned.

Proposal to revise the annual caps

Taken into the accounts of the sales by the Group of the Products to the Wistron Group for the eight months ended 31 August 2007 and the recent estimation of the demand for the Products by the Wistron Group, the Directors note that the demand of the Products by Wistron Group have been growing in a fast pace and the aggregate values of the continuing connected transactions are expected to exceed the Approved Caps. In such regards, the Company proposes to revise the annual caps for the continuing connected transactions under the Master Sales Agreement to cater for the recent increasing demand of the Products by the Wistron Group for each of the two years ending 31 December 2008. For the eight months ended 31 August 2007, the sales of the Products to Wistron Group amounted to approximately HK$697 million, which represented approximately 97% of the sales of the Products to Wistron Group for the year ended 31 December 2006. The Directors believe that such substantial growth of sales was mainly attributable to the increase in purchase orders from the major customers of the Wistron Group, which in turn increased the demand of the Products from the Wistron Group. In such regards, and having considered the fact that the fourth quarter of a year is usually the industrial peak season and the further increase in purchase orders from the major customers of Wistron Group, the Directors are of the view that the Revised Caps as mentioned below are reasonable.

Proposed new annual caps

The Approved Caps and the Revised Caps for the continuing connected transactions under the Master Sales Agreement for the two years ending 31 December 2008 are set out below:

	Year ending	
	31 December 2007	**31 December 2008**
	HK$	*HK$*
Approved Caps	1,170 million	1,404 million
Revised Caps	1,720 million	2,800 million

The Revised Caps were determined by the Company with reference to the following factors:

1. the sales of Products to the Wistron Group amounted to approximately HK$228 million, HK$715 million and HK$697 million for each of the two years ended 31 December 2006 and the eight months ended 31 August 2007, respectively;

2. the seasonal factors affecting the sales to the Wistron Group for each of the two years ended 31 December 2006;

3. existing purchase orders on hand from the Wistron Group;

4. the most up-to-date estimation for the demand of the Products prepared by the Wistron Group for the period from September 2007 to December 2007; and

5. expected business growth of the Wistron Group in 2008 after taking into consideration of the growth of worldwide notebook computer industry and additional purchase orders to the Wistron Group from its customers.

If the aggregate annual value of the continuing connected transactions under the Master Sales Agreement exceeds the Revised Caps, the Company will further comply with all relevant requirements of Chapter 14A of the Listing Rules.

Reasons for the continuing connected transactions

The Wistron Group is principally engaged in the design and manufacturing of products of information and communication technology and the provision of related services.

As those Products sold by the Group to Wistron and other members of the Wistron Group are principally parts and components of notebook computer casings which are manufactured by using the metallic stamping moulds and plastic injection moulds solely owned by the Group, Wistron and other members of the Wistron Group can purchase such designated parts and components of these notebook computer casings from the Group only. The Directors consider that the Group will benefit from the continuing connected transactions under the Master Sales Agreement for the further enhancement of the Group's sales portfolio.

The Directors (including the independent non-executive Directors) are of the view that the Revised Caps are fair and reasonable, and that the terms of the continuing connected transactions under the Master Sales Agreement are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Requirements under the Listing Rules

As Wistron is a substantial shareholder of Mindforce Holdings Limited, a 70%-owned indirect subsidiary of the Company, holding 30% of its issued share capital, Wistron is a connected person of the Company, the sales under the Master Sales Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the Revised Caps for each of the two years ending 31 December 2008 are expected to exceed 2.5% and the annual consideration receivable from the Wistron Group in respect of the continuing connected transactions is expected to exceed HK$10 million, the continuing connected transactions under the Master Sales Agreement with the Revised Caps constitute non-exempt continuing connected transactions of the Company under Rule 14A.35 of the Listing Rules and such transactions and the Revised Caps are subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

In view of the foregoing, the Company will convene the EGM to seek the approval of the independent Shareholders on the Revised Caps in respect of the continuing connected transactions under the Master Sales Agreement. Wistron and its associates, and any Shareholders who are materially interested in the continuing connected transactions under the Master Sales Agreement are required to abstain from voting on the resolution proposed to be passed at the EGM for approving the Revised Caps in respect of the continuing connected transactions under the Master Sales Agreement.

The Company will establish the Independent Board Committee to advise the Independent Shareholders as to whether the Revised Caps in respect of the continuing connected transactions under the Master Sales Agreement are fair and reasonable, whether the continuing connected transactions under the Master Sales Agreement are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and to advise the independent Shareholders on how to vote at the EGM, after taking into account the recommendations of the independent financial adviser. An independent financial adviser will be appointed to advise the Independent Board Committee and the independent Shareholders as to whether the Revised Caps in respect of the continuing connected transactions under the Master Sales Agreement are fair and reasonable, whether the the terms of the continuing connected transactions under the Master Sales Agreement are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and to advise the independent Shareholders on how to vote at the EGM.

GENERAL

A circular including, among other information, (i) a letter from the Board containing further information on the continuing connected transactions under the Master Sales Agreement with the Revised Caps; (ii) a letter from an independent financial adviser containing its advice in connection with the continuing connected transactions under the Master Sales Agreement with the Revised Caps to the Independent Board Committee and independent Shareholders; (iii) recommendations of the Independent Board Committee to the independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

"Approved Caps"	the annual caps for the continuing connected transactions under the Master Sales Agreement for the period from 27 March 2006 to 31 December 2006 and the years ending 2007 and 2008, as stated in the announcement of the Company dated 26 September 2006 and the circular of the Company dated 18 October 2006 and previously approved by the independent Shareholders
"Board"	the board of Directors
"Company"	Ju Teng International Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
"Director(s)"	director(s) of the Company

"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approval by the independent Shareholders of the Revised Caps
"Existing Material Purchase Agreement"	the material purchase agreement dated 6 October 2005 and entered into between San Li and Gi Li (for itself and on behalf of other members of the Group) in relation to the purchase of production materials by the Group from San Li for the term commencing from 6 October 2005 and ending 31 December 2007
"Gi Li"	Gi Li Co., Ltd., a company incorporated in Taiwan and a wholly owned subsidiary of the Company
"Giant Glory"	Giant Glory International Limited, a company incorporated under the laws of Samoa and a wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Independent Board Committee"	a board of committee, comprising the independent non-executive Directors who are not interested in the transactions contemplated under the Master Sales Agreement, established to advise the Independent Shareholders in respect of the Revised Caps for the continuing connected transactions under the Master Sales Agreement
"Independent Third Party(ies)"	third party or parties and who and whose ultimate beneficial owner(s) are independent of the Company and connected persons (as defined under the Listing Rules) of the Company
"Listing"	listing of the shares of the Company on the Stock Exchange
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Master Sales Agreement"	the master sales agreement dated 27 March 2006 and entered into between Giant Glory (for itself and on behalf of other members of the Group) and Wistron (for itself and on behalf of other members of the Wistron Group) in relation to the sales of the Products by the Group to the Wistron Group
"New Material Purchase Agreement"	the material purchase agreement dated 22 October 2007 and entered into between San Li and Gi Li (for itself and on behalf of other members of the Group) in relation to the purchase of production materials by the Group from San Li for the term commencing from 1 January 2008 and ending 31 December 2010

"Products"	casings for electronic products and related materials manufactured and/or supplied by the Group
"Revised Caps"	The monetary amounts of HK$1,720 million and HK$2,800 million, being the revised caps for the year ending 31 December 2007 and 31 December 2008, respectively in respect of the continuing connected transactions under the Master Sales Agreement
"San Li"	San Li Company Limited, a company incorporated in Taiwan and is owned as to 44.2% by Mr. Cheng Li-Yu, the Chairman and an executive Director, 25.8% by Mr. Cheng Li-Yen, an executive Director and the remaining 30% by their respective family members
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Wistron"	Wistron Corporation, a company incorporated in Taiwan and a substantial shareholder of Mindforce Holdings Limited, a 70%-owned indirect subsidiary of the Company
"Wistron Group"	collectively, Wistron and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region, the People's Republic of China
"%"	per cent.

By order of the Board
Ju Teng International Holdings Limited
Cheng Li-Yu
Chairman

Hong Kong, 23 October 2007

As at the date of this announcement, the executive Directors are Mr. Cheng Li-Yu, Mr. Cheng Li-Yen, Mr. Hsieh Wan-Fu, Mr. Huang Kuo-Kuang, Mr. Lo Jung-Te, and Mr. Tsui Yung Kwok and the independent non-executive Directors are Mr. Tsai Wen-Yu, Mr. Yip Wai Ming and Mr. Yu Chwo-Ming.