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## **JU TENG INTERNATIONAL HOLDINGS LIMITED**

**巨騰國際控股有限公司**

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

(Stock Code: 3336)

### **PROPOSED OFFERING AND LISTING OF THE TAIWAN DEPOSITARY RECEIPTS ON THE TAIWAN STOCK EXCHANGE AND RESUMPTION OF TRADING**

The Board is pleased to announce that on 9 October 2008, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing not more than 100 million New Shares to be issued by the Company, on the Taiwan Stock Exchange. The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange. It is expected that the New Shares will be issued under the General Mandate and the TDR Issue will not be subject to the Shareholders' approval.

It is expected that the TDR will be offered in Taiwan by way of offer for subscription by the public in Taiwan and to selected institutional and individual investors in Taiwan through book building process. None of the TDR will be offered to the general public in Hong Kong nor will they be placed to any connected persons of the Group.

The Board intends to use the net proceeds from the TDR Issue for the establishment of a subsidiary of the Company in Zhenjiang, Jiangsu, the PRC and repayment of certain existing loan facilities of the Group. The issue price for the TDR Issue, if proceeded with, and the amount of funds to be raised from the TDR Issue have not been fixed as at the date of this announcement.

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. The decision of the Board to proceed with the TDR Issue is dependent upon, among others, market conditions during the period leading up to the TDR Issue. There is also no assurance that the approval for the TDR Issue and the listing of the TDR on the Taiwan Stock Exchange by the Relevant Authorities and/or the listing of the New Shares on the Hong Kong Stock Exchange will be granted. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

Trading in Shares was suspended at the request of the Company with effect from 9:30 a.m. on 10 October 2008 pending release of this announcement. An application has been made by the Company to the Hong Kong Stock Exchange for trading in Shares to resume from 9:30 a.m. on 13 October 2008.

**Shareholders should note that the TDR Issue may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## THE TDR ISSUE

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board is pleased to announce that on 9 October 2008, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing not more than 100 million New Shares to be issued by the Company, on the Taiwan Stock Exchange. The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

It is currently proposed that the TDR will be offered to the public in Taiwan by way of offer for subscription by the public in Taiwan and to selected institutional and individual investors in Taiwan through book building process. None of the TDR will be offered to the general public in Hong Kong nor will they be placed to any connected persons of the Group. Details in respect of the TDR Issue, including the size and structure of the TDR Issue, the number of New Shares to be issued by the Company pursuant to the TDR Issue and the expected timetable, have not yet been finalised as at the date of this announcement. A further announcement will be made by the Company upon finalisation of the structure of the TDR Issue.

The preliminary structure of the TDR Issue is proposed as follows:

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|--|---|--|
| <b>Type of securities to be issued</b>                 | : | TDR, to be issued by a depositary bank in Taiwan evidencing the entitlement of the holders of TDR to the Shares that are held in custody by a custodian bank.  |
| <b>Number of TDR to be issued</b>                      | : | Not more than 100 million units of TDR, each representing one ordinary Share. The final number of TDR to be issued and offered and the structure of the TDR Issue shall be subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board. |
| <b>Number of Shares to which the TDR Issue relates</b> | : | Not more than 100 million Shares, which are expected to be allotted and issued by the Company pursuant to the General Mandate.   |

The 100 million New Shares represent (i) 10% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.1% of the enlarged issued share capital of the Company following the issue of the 100 million New Shares under the TDR Issue.

- Ranking of Shares** : The New Shares will rank pari passu in all respects with the Shares then in issue on the date of issue of the New Shares.
- Basis for determining the issue price of the TDR** : The issue price of the TDR will be agreed in writing between the Company and the lead manager for the TDR Issue and is expected to be determined with reference to the then prevailing market conditions, the industry growth, management performance, the industry conditions at the time of the TDR Issue and based on the demand from institutional and selected investors during the book building process. It is expected that the issue price will not be less than the higher of the Taiwan New Dollar equivalent to (i) the closing price of Share on the Hong Kong Stock Exchange on the price determination date for the TDR Issue or (where the price determination date falls on a date which is not a trading day of the Shares on Hong Kong Stock Exchange or the issue price is determined during the trading session on a trading date of the Shares on the Hong Kong Stock Exchange) that on the trading day immediately prior to the price determination date; or (ii) the average closing price in five trading days immediately prior to the price determination date for the TDR Issue.
- Use of proceeds** : The Board intends to use the net proceeds from the TDR Issue for the establishment of a subsidiary of the Company in Zhenjiang, Jiangsu, the PRC and repayment of certain existing loan facilities of the Group. The issue price for the TDR Issue, if proceeded with, and the amount of funds to be raised from the TDR Issue have not been fixed as at the date of this announcement.
- Listing** : Application has been made to the Taiwan Stock Exchange and the Taiwan Central Bank for the listing of the TDR on the Taiwan Stock Exchange. Application will be made to the Taiwan Securities and Futures Bureau for the TDR Issue after the grant of approvals thereof by the Taiwan Stock Exchange and the Taiwan Central Bank.
- An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

## **REASONS FOR AND BENEFITS OF THE TDR ISSUE**

The Group has been principally engaged in the manufacturing and sale of notebook computer casings, parts and other related materials. The products of the Group also include casings for LCD personal computers, digital cameras and game consoles.

The Directors consider that the issue of the New Shares pursuant to the TDR Issue is an appropriate means of raising extra funds for the Group's future business development. The Directors believe that the TDR is an attractive alternative for international investors, particularly potential investors in Taiwan, to invest and deal in the Shares which will provide further liquidity of the Shares, and broaden and diversify the shareholder base of the Company. As the major customers of the Group include manufacturers of leading international brands as well as other major manufacturers of computers and other digital appliances based in Taiwan, the Directors consider that the TDR Issue will also increase the public

awareness of the Group and will promote the Group's corporate image in Taiwan, which will enhance its competitiveness in Taiwan and be beneficial to the Group's business development. The TDR Issue will also provide an additional fundraising platform for the Group, and to provide the Group more diversified funding sources to finance its own operations and future business development.

Taking into account the Group's current working capital requirement, the prevailing market conditions and the cost involved in the TDR Issue when compared with other means of fund raising exercises such as rights issue, open offer, debt financing and further bank borrowing, the Directors believe the TDR Issue will be the most appropriate method as it can enhance the capital base of the Company and broaden the Company's Shareholders base with a minimal dilution effect of up to approximately 9.1%, enhance the public awareness of the Group in Taiwan and provide an additional fundraising platform for the Group as aforesaid on one hand, and without having to incur additional interest costs nor to increase the Group's gearing ratio on the other hand.

### **EFFECT ON THE SHARE CAPITAL**

As at the date of this announcement, the issued share capital of the Company is HK\$100,000,000 divided into 1,000,000,000 Shares. Based on the register of interests kept by the Company pursuant to section 336 of the Securities and Futures Ordinance and so far as the Directors are aware of, the following table summarises the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the TDR Issue based on the assumption that an aggregate of 100 million New Shares will be issued pursuant to the TDR Issue and there shall be no change in the Company's share capital prior to the completion of the TDR Issue:

Name of Shareholder	As at the date of this announcement		Immediately after completion of the TDR Issue	
	No. of Shares	Approximate % of issued share capital of the Company	No. of Shares	Approximate % of issued share capital of the Company
<b>Substantial shareholder</b>				
Southern Asia Management Limited	273,556,986 (Note 1)	27.4%	273,556,986	24.9%
<b>Directors and their respective associates</b>				
Mr. Cheng Li-Yu	47,296,046 (Note 2)	4.7%	47,296,046 (Note 2)	4.3%
Mr. Huang Kuo-Kuang	8,166,497 (Note 3)	0.8%	8,166,497 (Note 3)	0.7%
Mr. Lo Jung-Te	5,967,942	0.6%	5,967,942	0.5%
Mr. Hsieh Wan-Fu	4,294,432	0.4%	4,294,432	0.4%
TDR holders	—	—	100,000,000	9.1%
Other public Shareholders	660,718,097	66.1%	660,718,097	60.1%
<b>Total:</b>	<b>1,000,000,000</b>	<b>100.0%</b>	<b>1,100,000,000</b>	<b>100.0%</b>

*Notes:*

1. These Shares are registered in the name of Southern Asia Management Limited, which was wholly owned by Shine Century Assets Corp., the entire issued share capital of which was beneficially owned by the Cheng Family Trust which was founded by Mr. Cheng Li-Yu. The beneficiaries of the Cheng Family Trust include, among others, Mr. Cheng Li-Yen and Mr. Cheng Li-Yu, two of the executive Directors.
2. Among these Shares, 36,778,000 Shares are owned by Mr. Cheng Li-Yu and 10,518,046 Shares are owned by his wife, Ms. Lin Mei-Li.
3. Among these Shares, 2,423,866 Shares are owned by Mr. Huang Kuo-Kuang and 5,742,631 Shares are owned by his wife, Ms. Wang Shu-Hui.

As at the date of this announcement, save for the 2,800,000 options granted under the pre-IPO share option scheme of the Company and the 94,468,000 options granted under the post-IPO share option scheme of the Company, the Company has no outstanding convertible securities or options which are convertible into Shares.

## **GENERAL MANDATE**

By a resolution of the Shareholders passed at the annual general meeting held on 21 May 2008, the Company granted the General Mandate to the Directors to allot and issue up to 200,000,000 Shares. The Directors have not exercised the power to allot and issue any new Shares pursuant to the General Mandate granted. As at the date of this announcement, the Company is entitled to issue up to 200,000,000 Shares pursuant to such General Mandate. It is expected that the New Shares will be issued under the such General Mandate and the TDR Issue will not be subject to the Shareholders' approval.

## **FUND RAISING IN THE PAST 12 MONTHS**

The Company has not carried out any capital fund raising activities during the 12 months immediately preceding the date of this announcement.

## **GENERAL**

Trading in Shares were suspended at the request of the Company with effect from 9:30 a.m. on 10 October 2008 pending release of this announcement. An application has been made by the Company to the Hong Kong Stock Exchange for trading in Shares to resume from 9:30 a.m. on 13 October 2008.

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. The decision of the Board to proceed with the TDR Issue is dependent upon, among others, market conditions during the period leading up to the TDR Issue. There is also no assurance that the approval for the TDR Issue and the listing of the TDR on the Taiwan Stock Exchange by the Relevant Authorities and/or the listing of the New Shares on the Hong Kong Stock Exchange will be granted. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

**Shareholders should note that the TDR Issue may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms will have the following meaning:

“associates”	:	shall have the meaning as ascribed to it under the Listing Rules
“Board”	:	board of directors of the Company
“Company”	:	Ju Teng International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liabilities whose shares are listed on the Hong Kong Stock Exchange
“connected persons”	:	shall have the meaning as ascribed to it under the Listing Rules
“Directors”	:	directors of the Company
“General Mandate”	:	the general mandate granted to the Directors pursuant to a resolution of the Shareholders of the Company passed at the annual general meeting held on 21 May 2008 pursuant to which the Directors are authorised to allot and issue up to a maximum of 200,000,000 Shares
“Group”	:	the Company and its subsidiaries
“Hong Kong”	:	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“HK\$”	:	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“New Shares”	:	not more than 100 million Shares proposed to be issued as underlying securities for the purpose of the TDR Issue
“Shares”	:	ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Shareholders”	:	holders of Shares
“Relevant Authorities”	:	the Taiwan Central Bank, the Taiwan Stock Exchange and the Taiwan Securities and Futures Bureau

“TDR”	:	the Taiwan depositary receipts proposed to be issued by a depositary bank in Taiwan pursuant to the TDR Issue
“TDR Issue”	:	the proposed issue of not more than 100 million units of TDR (comprising not more than 100 million New Shares as underlying securities), subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board
“Taiwan Central Bank”	:	The Central Bank of the Republic of China
“Taiwan Securities and Futures Bureau”	:	The Taiwan Financial Supervisory Commission, Securities and Futures Bureau
“Taiwan Stock Exchange”	:	Taiwan Stock Exchange Corporation
“%”	:	per cent.

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

Hong Kong, 10 October 2008

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