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)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

Financial Highlights

- Turnover for the six months ended 30 June 2013 reached approximately HK$4,299 million, representing a decrease of approximately 0.4%.
- Gross profit for the six months ended 30 June 2013 reached approximately HK$793 million, representing an increase of approximately 34.5%.
- Gross profit margin for the six months ended 30 June 2013 increased to approximately 18.4% from approximately 13.7% for the six months ended 30 June 2012.
- Profit attributable to equity holders of the Company for the six months ended 30 June 2013 reached approximately HK$260 million, representing an increase of approximately 6.8%.
- Had the one-off withholding tax expense of approximately HK$51 million, in relation to the repatriation of dividends declared by certain subsidiaries of the Company in the PRC not incurred, profit attributable to equity holders of the Company for the six months ended 30 June 2013 would have reached approximately HK$311 million, representing an increase of approximately 27.7%.
- Basic earnings per share attributable to equity holders of the Company increased to approximately HK22.6 cents, representing an increase of approximately 4.1%.
- Net asset value per share attributable to equity holders of the Company as at 30 June 2013 reached approximately HK$4.9 as compared with approximately HK$4.7 as at 31 December 2012.

The board (the "**Board**") of directors (the "**Directors**") of Ju Teng International Holdings Limited (the "**Company**" or "**Ju Teng**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2013 (the "**Period**") as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2013

		For the six months ended 30 June	
		2013	2012
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	2	**4,298,825**	4,315,486
Cost of sales		**(3,505,901)**	(3,725,901)
Gross profit		**792,924**	589,585
Other income and gains	3	**30,424**	41,959
Selling and distribution expenses		**(44,511)**	(40,013)
Administrative expenses		**(258,167)**	(244,379)
Other expenses		**(35,182)**	(6,921)
Finance costs	4	**(22,415)**	(32,429)
PROFIT BEFORE TAX	5	**463,073**	307,802
Income tax expense	6	**(142,971)**	(55,843)
PROFIT FOR THE PERIOD		**320,102**	251,959
Attributable to:			
Equity holders of the Company		**260,408**	243,893
Non-controlling interests		**59,694**	8,066
		320,102	251,959
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8		
- Basic (HK cents)		**22.6**	21.7
- Diluted (HK cents)		**21.5**	21.5

Details of dividend for the Period are disclosed in note 7.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**320,102**	251,959
OTHER COMPREHENSIVE INCOME/(LOSS)		
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:		
Exchange differences on translation of foreign operations	**122,481**	(55,799)
Available-for-sale investment:		
Change in fair value	**964**	647
Income tax effect	**(164)**	(379)
	800	268
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**123,281**	(55,531)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**443,383**	196,428
Total comprehensive income attributable to:		
Equity holders of the Company	**352,807**	195,679
Non-controlling interests	**90,576**	749
	443,383	196,428

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2013

	Notes	30 June 2013 (Unaudited) HK$'000	31 December 2012 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**6,946,785**	6,193,404
Lease premium for land		**191,471**	183,319
Goodwill		**40,062**	40,062
Prepayments for acquisition of property, plant and equipment		**199,259**	438,178
Available-for-sale investments		**32,362**	31,373
Total non-current assets		**7,409,939**	6,886,336
CURRENT ASSETS			
Inventories		**1,056,625**	937,488
Trade receivables	9	**3,091,467**	3,239,371
Prepayments, deposits and other receivables		**852,844**	964,792
Derivative financial instruments		**2,376**	15,155
Pledged bank balances and time deposits		**32,867**	43,231
Cash and cash equivalents		**972,151**	1,162,927
Total current assets		**6,008,330**	6,362,964
CURRENT LIABILITIES			
Trade and bills payables	10	**1,546,548**	1,629,270
Other payables and accruals		**858,071**	744,140
Tax payable		**213,401**	172,918
Interest-bearing bank borrowings		**2,216,240**	2,499,007
Total current liabilities		**4,834,260**	5,045,335
NET CURRENT ASSETS		**1,174,070**	1,317,629
TOTAL ASSETS LESS CURRENT LIABILITIES		**8,584,009**	8,203,965
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,646,262**	1,582,652
Deferred tax liabilities		**4,644**	4,719
Total non-current liabilities		**1,650,906**	1,587,371
Net assets		**6,933,103**	6,616,594
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	11	**115,016**	115,016
Reserves		**5,497,015**	5,133,063
Proposed final dividend		**-**	138,019
		5,612,031	5,386,098
Non-controlling interests		**1,321,072**	1,230,496
Total equity		**6,933,103**	6,616,594

NOTES

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY AND DISCLOSURE

The condensed consolidated interim financial information for the Period has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2012. The accounting policies and basis of preparation adopted in the preparation of the interim financial information are the same as those used in the annual financial statements for the year ended 31 December 2012, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**", which also include HKASs and Interpretations) that affect the Company and the Group and has adopted for the first time for the current period's financial information:

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
HKFRS 10	*Consolidated Financial Statements*
HKFRS 11	*Joint Arrangements*
HKFRS 12	*Disclosure of Interests in Other Entities*
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 –*Transition Guidance*
HKFRS 13	*Fair Value Measurement*
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*
HKAS 19 (2011)	*Employee Benefits*
HKAS 27 (2011)	*Separate Financial Statements*
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

Adoption of these new and revised HKFRSs did not have any material effect on the financial position or performance of the Group.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a potential impact on its results of operations and financial position.

2. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the business of manufacture and sale of notebook computer casings. For management purposes, the Group operates in one business unit based on its casing products, and has one reportable operating segment.

No operating segments have been aggregated to form the above reportable operating segment.

Geographical information

Revenue from external customers:

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The People's Republic of China (the "**PRC**"), excluding Hong Kong	**4,152,627**	4,170,062
The Republic of China	**45,926**	119,182
Others	**100,272**	26,242
	4,298,825	4,315,486

The revenue information above is based on the location of customers.

3. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest income	**3,721**	3,211
Exchange gains, net	**-**	30,410
Compensation income	**12,218**	-
Subsidy income	**7,241**	4,915
Others	**7,244**	3,423
	30,424	41,959

4. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans and other loans wholly repayable within five years	**30,875**	32,429
Less: Interest capitalized	**(8,460)**	-
Net finance costs for the Period	**22,415**	32,429

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**3,495,586**	3,702,666
Depreciation	**311,006**	273,190
Amortisation of lease premium for land	**2,416**	2,489
Losses on disposal of items of property, plant and equipment, net	**20,232**	4,106
Provision for slow-moving and obsolete inventories	**7,393**	16,198
Exchange losses/(gains), net	**9,260**	(30,410)

6. INCOME TAX

Hong Kong profits tax has not been provided as the Group did not have any assessable profits arising in Hong Kong during the Period (six months ended 30 June 2012: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	For the six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Provision for the Period		
Current – The PRC, excluding Hong Kong		
Charge for the Period	**128,579**	39,207
Underprovision in prior years	**5,520**	3,608
Current – Overseas		
Charge for the Period	**14,815**	21,465
Overprovision in prior years	**(5,703)**	(5,717)
Tax refund	**-**	(2,480)
Deferred tax	**(240)**	(240)
Total tax charge for the Period	**142,971**	55,843

During the Period, an amount of HK$51,062,000 withholding tax had been paid by the Group in relation to the repatriation of dividends declared by certain subsidiaries of the Company in the PRC (six months ended 30 June 2012: Nil).

7. INTERIM DIVIDEND

The Directors did not propose to declare any interim dividend for the Period (six months ended 30 June 2012: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$260,408,000 (six months ended 30 June 2012: HK$243,893,000) and the weighted average number of 1,150,162,000 (six months ended 30 June 2012: 1,123,257,495) ordinary shares in issue during the Period.

The calculation of diluted earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$260,408,000 (six months ended 30 June 2012: HK$243,893,000). The weighted average number of ordinary shares used in the calculation is the 1,150,162,000 (six months ended 30 June 2012: 1,123,257,495) ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of 59,989,993 (six months ended 30 June 2012: 13,053,272) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

9. TRADE RECEIVABLES

The general credit terms of the Group range from 90 days to 120 days. Trade receivables are non-interest-bearing.

An aged analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2013 (Unaudited) ***HK$'000***	As at 31 December 2012 (Audited) *HK$'000*
Within 3 months	**2,345,907**	2,390,759
4 to 6 months	**735,466**	846,598
7 to 12 months	**10,094**	2,014
	3,091,467	3,239,371

10. TRADE AND BILLS PAYABLES

The trade payables are non-interest-bearing and are normally settled on 90 to 120 days terms.

An aged analysis of the Group's trade and bills payables as at the end of reporting period, based on the invoice date, is as follows:

	As at 30 June 2013 (Unaudited) ***HK$'000***	As at 31 December 2012 (Audited) *HK$'000*
Within 3 months	**1,279,770**	1,242,533
4 to 6 months	**237,813**	357,014
7 to 12 months	**13,008**	15,088
Over 1 year	**15,957**	14,635
	1,546,548	1,629,270

11. SHARE CAPITAL

	As at 30 June 2013 (Unaudited) ***HK$'000***	As at 31 December 2012 (Audited) *HK$'000*
Authorised:		
2,000,000,000 shares of HK$0.1 each	**200,000**	200,000
Issued and fully paid:		
1,150,162,000 shares of HK$0.1 each	**115,016**	115,016

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review & Prospect

During the Period, concerns from the market emerged over the federal reserve of United States' expected commencement of pruning its fiscal stimulus when the European economies were yet to recover from the sovereignty debt crisis. Also, the growth in emerging markets has been slow when the new leaders of the Chinese government have determined to adjust the national development blueprint. Hence, consumer confidence was depressed. The global sales of personal computers ("**PC**") has not reached the expected growth. Therefore, the growth of Ju Teng was hindered. In the first half of 2013, Ju Teng recorded revenue of approximately HK$4,299 million, decreasing by approximately 0.4%, and profit of approximately HK$260 million, increasing by approximately 6.8% as compared with the corresponding period in 2012. Ju Teng has used the recession over the past few years as an opportunity to expand, carrying out comprehensive product mix reconstruction. The Group has expanded its production capacity of metal casing, and has committed to developing production solution of composite materials (including carbon fiber and glass fiber). The enhanced profit margin will benefit the Group from resisting the weak economy and mitigate the future impact of cost increase. The gross profit margin of Ju Teng has further increased from 13.7% to 18.4% during the Period.

During the Period, the management has captured the trend of high-end product and proactively expanded the production capacity of metal casing. Ju Teng has provided metal casing for brands from regions including Korea, United States and the Greater China. During the Period, the portion of revenue contributed by metal casing has further risen to approximately 25%, driving the increase of profit margin. Being a pioneer of casing technology, Ju Teng has continued to enhance the production yield and to develop the technologies of composite material casing. Although the composite material has not been widely adopted, thus only contributing limited revenue to the Group currently, amid the growing demand of slim casing, Ju Teng, with its diversified casing technology, expects another triumph in this niche market.

Ju Teng, as the world's leading notebook computer casing provider, the relevant product has remained the key revenue contributor to the Group when orders for tablet PC have also increased during the Period. The price war in the previous years has been over with a small number of competitors remains. As a result, the product price has become stable. Because of the growing number of factories retreated from China, the cost of staff recruitment is lowered. The leading position of Ju Teng has hence been further secured.

Looking ahead to the second half of 2013, Ju Teng's performance is expected to further improve thanks to the completion of several orders. The management believes that there will be more brands adopting composite materials for slim casing. The Group will spare no effort in promoting its metal and composite material casing technology with a view to enhancing product margin with optimized product mix. Meanwhile, the management recognizes the market sustainability of plastic casing in the process of notebook computer and tablet PC generalization. Ju Teng will continue to capitalize its leading position to boost the sales.

Besides, Ju Teng has achieved a significant business breakthrough by tapping into the smartphone market through providing casings for smartphones for a smartphone brand based in the United States. Such collaboration was accomplished with Ju Teng's superior production technology, proving its strength as the one-stop casing solution provider. As more breakthroughs on mobile technology are expected to come, the management believes that smartphone will become the main growth driver of the personal information technology product. With the diversified production capacity and the sound foundation, Ju Teng is expected to be able to quickly penetrate into the relevant market, widening the customer-base of the Group in the future. The smartphone casing business will generate revenue for the Group in the second half of the year.

In respect of the industry trends, Microsoft will cease its technical support to Windows XP starting from April 2014. According to a survey conducted by NetMarketShare in March 2013, the 12-year-old operating system accounted for 38% of the PCs among its own kind. Whereas the new versions of Windows become more user-friendly, a new wave of computer replacement is expected to reach its apex next year. Under the cost reduction facilitated by Intel together with its suppliers, models of Ultrabook under US$1,000 have recently become available to the market, stimulating the consumers' desire. Furthermore, the second generation of Google Nexus and Amazon Kindle Fire tablet PC which will be launched in the second half of the year may also bring more opportunities to Ju Teng's tablet PC business.

Ju Teng is not just one of the largest plastic casing manufacturers in terms of market share, but also masters the metal and composite material casing technologies. With its products ranging over notebook computers, tablet PCs, and smartphones, the foundation of Ju Teng's leading position as a one-stop casing solution provider has been laid down firmly. Save from maintaining well-bound with the existing customers of original design manufacturers (ODM), Ju Teng will seek to strengthen the relationships with brands, with a view to facilitating inventions of new products with its superior technology and comprehensive casing solutions. Ju Teng will be vigilant to the product trends, and will strive for larger market share, creating exceptional performance of the Group.

Financial Review

During the Period, although the Group continued its strategy to launch new products with higher price tags and boosted its metal and composite materials casings operation, there was a slight decrease of the Group's revenue of approximately 0.4% to approximately HK$4,299 million (2012: HK$4,315 million) because overall demand for notebook computers has remained sluggish. The overall gross profit margin rose to approximately 18.4% (2012: 13.7%).

Due to the expansion of the production capacity of a production plant in Sichuan Province, the Group recorded an increase of approximately 6.4% in operating costs including administrative expenses, and selling and distribution costs to approximately HK$303 million (2012: HK$284 million), accounting for approximately 7.0% (2012: 6.6%) of the Group's turnover.

Due to the record of losses on disposal of property, plant and equipment, and the exchange losses arising from trade receivables as a result of the depreciation in value of United States dollar ("**USD**") against Renminbi ("**RMB**"), the Group recorded an increase of approximately 408.3% in other expenses to approximately HK$35 million (2012: HK$7 million), accounting for approximately 0.8% (2012: 0.2%) of the Group's turnover.

Finance costs decreased by approximately 30.9% to approximately HK$22 million (2012: HK$32 million) for the Period as compared to that of the same period in 2012, which was due to interest capitalized in the amount of approximately HK$8 million (2012: nil).

Income tax expenses increased by approximately 156.0% to approximately HK$143 million (2012: HK$56 million) for the Period as compared to that of the same period in 2012, which was mainly attributable to the incurrence of a one-off expense of withholding tax in the amount of approximately HK$51 million (2012: nil) in relation to the repatriation of dividends declared by certain subsidiaries of the Company in the PRC.

The profit attributable to equity holders for the Period amounted to approximately HK$260 million (2012: HK$244 million), representing an increase of approximately 6.8% when compared to the same period last year. Had the one-off withholding tax expense as mentioned above not incurred, the profit attributable to equity holders for the Period would have reached approximately HK$311 million, representing an increase of approximately 27.7% when compared to same period last year (these combined figures were unaudited and were computed based on the sum of the unaudited profit attributable to equity holders of the Company for the Period as set out in the condensed consolidated statement of profit or loss for the Period and the amount of HK$51,062,000 of withholding tax as set out in note 6 to the condensed interim financial information. These combined figures are for illustrative purpose only. Because of their nature, these combined figures may not give a true picture of the financial position or results of the Group that would have occurred had the one-off withholding tax expense did not incur). The increase in the profit attributable to equity holders was mainly attributable to the increase in the Group's gross profit margin.

Liquidity and Financial Resources

As at 30 June 2013, total bank borrowings of the Group amounted to approximately HK$3,863 million (31 December 2012: HK$4,082 million), representing a decrease of approximately 5.4% as compared to that of 31 December 2012. The Group's bank borrowings include short-term loans with 1-year maturity, 2-year term loans and 3-year revolving syndicated loans. As at 30 June 2013, the Group's bank loans denominated in USD and New Taiwan Dollars were approximately HK$3,795 million (31 December 2012: HK$4,028 million) and approximately HK$68 million (31 December 2012: HK$54 million) respectively.

During the Period, the Group's cashflow from operating activities increased to approximately HK$890 million from HK$234 million during the same period last year. The increase was mainly due to a decrease in trade receivables and prepayments, deposits and other receivables, and an increase in other payables and accruals. As a result of the purchase of fixed assets for the expansion of production plants in Sichuan Province and Wujiang City, the Group recorded a net cash outflow from investing activities of approximately HK$737 million (2012: HK$653 million). During the Period, due to the repayment of bank loans, the Group recorded a net cash outflow from financing activities of approximately HK$357 million (2012: net cash inflow of HK$244 million). As at 30 June 2013, the Group had cash and bank balances of approximately HK$972 million (31 December 2012: HK$1,163 million).

As at 30 June 2013, the Group's gearing ratio, calculated as total bank borrowings of approximately HK$3,863 million (31 December 2012: HK$4,082 million) divided by total assets of approximately HK$13,418 million (31 December 2012: HK$13,249 million) was 28.8% (31 December 2012: 30.8%). The decrease of gearing ratio was due to a decrease in bank borrowings and an increase in assets.

Pledge of Assets

As at 30 June 2013 and 31 December 2012, the Group did not have any leasehold land and buildings and machinery pledged to secure banking facilities granted to the Group.

As at 30 June 2013 and 31 December 2012, shares of certain subsidiaries of the Company were pledged to secure banking facilities granted to the Group.

Foreign Exchange Exposure

Since most of the Group's revenue is denominated in USD and most of the Group's expenses are denominated in RMB, the appreciation of value of RMB will have adverse effect on the Group's profitability. Accordingly, the Group has entered into forward foreign exchange contracts to mitigate possible exchange losses in relation to the fluctuations in the values of the USD and RMB.

Employees

As at 30 June 2013, the Group had approximately 38,000 employees (30 June 2012: 36,000 employees). The Group recorded staff costs of approximately HK$935 million (2012: HK$821 million).

The Group's employees are remunerated in line with the prevailing market terms and individual performance, with the remuneration package and policies reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and that of the individual employee. The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme for its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC.

Capital Commitment

As at 30 June 2013, the capital commitments which the Group had contracted for but were not provided for in the financial information in respect of the acquisition of land, buildings and machineries amounted to approximately HK$62 million (31 December 2012: HK$214 million).

As at 30 June 2013, the capital commitments which the Group had authorized for but were not contracted for in the financial information in respect to the acquisition of land amounted to approximately HK$356 million (31 December 2012: nil).

Contingent Liabilities

As at 30 June 2013, the Group did not have any significant contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

INTERIM DIVIDEND

The Directors do not recommend the payment of interim dividend for the Period.

CORPORATE GOVERNANCE PRACTICES

The Company continues to devote much effort on formulating the sufficient corporate governance practices which it believes is crucial to its healthy growth and its business needs.

The Company has adopted the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). The Company and the corporate governance committee of the Company periodically review its corporate governance practices to ensure its continuous compliance with the CG Code. Save as disclosed below, the Company had complied with the code provisions of the CG Code throughout the Period.

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cheng Li-Yu is the chairman of the Board but the Company has not appointed any chief executive officer. Details of the considered reasons for such deviation had been set out under the paragraph headed "Code Provision A.2.1" in the corporate governance report contained in the Company's annual report for the year ended 31 December 2012.

The Board will continue to review the management structure from time to time and shall make necessary changes when appropriate and inform the shareholders accordingly.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted and applied a code of conduct regarding the Directors' securities transaction on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Company is satisfied that all the Directors have fully complied with the required standards set out in the Model Code and the code of conduct of the Company during the Period.

AUDIT COMMITTEE

The audit committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group and the unaudited consolidated interim financial information and results of the Group for the Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Company's website (http://www.irasia.com/listco/hk/Ju Teng) and the Hong Kong Stock Exchange's website (http://www.hkexnews.hk). The 2013 interim report will be despatched to the shareholders of the Company and will be made available on the websites of the Company and the Hong Kong Stock Exchange in due course in accordance with the Listing Rules.

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

Hong Kong, 21 August 2013

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.