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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)

## **DISCLOSEABLE TRANSACTION**

### **CONSTRUCTION AGREEMENTS IN RELATION TO CONSTRUCTION OF PRODUCTION PLANT IN JIANGSU**

The Board announces that on 29 May 2014, Compal Precision entered into the Jurong Construction Agreements with the Contractor in relation to the construction of the Jurong Production Plant for the manufacturing of casings with plastic and metal for notebook computers, tablet computers and other portable devices in the Jurong Development Zone in Jiangsu Province, the PRC.

The Jurong Construction Agreements, on a stand alone basis, do not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements are aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these agreements were entered into by the Group with the same party. Since the relevant percentage ratio in respect of the Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements is more than 5% but less than 25%, the transactions contemplated under the Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements still constitute discloseable transaction under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board announces that on 29 May 2014, Compal Precision entered into the Jurong Construction Agreements with the Contractor in relation to the construction of the Jurong Production Plant for the manufacturing of casings with plastic and metal for notebook computers, tablet computers and other portable devices in the Jurong Development Zone in Jiangsu Province, the PRC.

## **THE JURONG CONSTRUCTION AGREEMENTS DATED 29 MAY 2014**

### **Parties**

- (i) Compal Precision; and
- (ii) The Contractor

The Directors confirmed that, to the best of their knowledge, information and belief, having made all reasonable enquiry, the Contractor and its ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

### **Jurong Construction and Warranty Period**

Under the Jurong Construction Agreements, the Contractor has agreed to construct the Jurong Production Plant in accordance with the design drawing to be provided by Compal Precision. The Jurong Construction shall commence and complete at such dates in accordance with the construction progress plan to be prepared by the Contractor or as otherwise agreed between the parties. The Contractor shall be responsible to repair the defect of the Jurong Production Plant (if any) during the Warranty Period, failing which Compal Precision shall be entitled to engage other parties to repair the defect and deduct the expenses incurred from the Warranty Fund.

### **Consideration**

The aggregate sum of Consideration payable by Compal Precision for the Jurong Construction shall be approximately RMB18.00 million (equivalent to approximately HK\$22.34 million) unless adjusted by the parties in the event of change of design and/or construction of the Jurong Production Plant.

The Consideration shall be payable to the Contractor by Compal Precision in cash in the following manner:

- (i) approximately RMB3.60 million (equivalent to approximately HK\$4.47 million), being 20% of the Consideration, shall be payable upon signing of the Jurong Construction Agreements;
- (ii) approximately RMB3.60 million (equivalent to approximately HK\$4.47 million), being 20% of the Consideration, shall be payable after laying of the foundation of the Jurong Production Plant;
- (iii) approximately RMB5.40 million (equivalent to approximately HK\$6.70 million), being 30% of the Consideration, shall be payable after completion of construction of framework of the Jurong Production Plant;
- (iv) approximately RMB2.70 million (equivalent to approximately HK\$3.35 million), being 15% of the Consideration, shall be payable after Compal Precision's confirmation of acceptance of completion of the major part of the Jurong Construction
- (v) approximately RMB2.16 million (equivalent to approximately HK\$2.68 million), being 12% of the Consideration, shall be payable after Compal Precision's confirmation of acceptance of completion of the entire Jurong Construction; and
- (vi) the Warranty Fund (or the balance thereof), together with the interests accrued thereon, shall be payable within one year after the date of Compal Precision's acceptance of completion of the Jurong Construction.

The Consideration was determined based on arm's length negotiation between the parties with reference to the proposed design and standard of the Jurong Construction.

## **INFORMATION ON THE PARTIES**

The Group is principally engaged in the manufacturing and sale of casings for notebook computer, portable devices and other related materials.

The Contractor is a limited company in the PRC principally engaged in building construction.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE JURONG CONSTRUCTION AGREEMENTS**

The Directors consider that the entering into of the Jurong Construction Agreements and establishing the Jurong Production Plant at the Jurong Development Zone are beneficial to the Group because the construction of the Jurong Production Plant, which can manufacture casings with (among other materials) metal, can increase the production capacity of metal casings of the Group which currently has a relatively lower production capacity.

The Directors (including the independent non-executive Directors) believe that the terms of the Jurong Construction Agreements are fair and reasonable and are in the interests of the Group and Shareholders as a whole.

## **LISTING RULES IMPLICATION**

Reference is made to the announcement of the Company dated 2 January 2014 in relation to, among others, the entering into of the Chongqing Shuangqiao Construction Agreements for the Group's investment in the Chongqing Shuangqiao Development Zone.

The Jurong Construction Agreements, on a stand alone basis, do not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements are aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these agreements were entered into by the Group with the same party. Since the relevant percentage ratio in respect of the Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements is more than 5% but less than 25%, the transactions contemplated under the Jurong Construction Agreements and the Chongqing Shuangqiao Construction Agreements still constitute discloseable transaction under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

|                           |   |
|---------------------------|---|
| <b>“Board”</b>            | the board of Directors  |
| <b>“Compal Precision”</b> | 巨寶精密加工（江蘇）有限公司（Compal Precision Module (Jiangsu) Co., Ltd.), an indirect non-wholly owned subsidiary of the Company established in the PRC  |
| <b>“Company”</b>          | 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 Main Board of the Stock Exchange |

|   |   |
|---|---|
| <b>“Chongqing Shuangqiao Construction”</b>            | the construction of an integrated production plant for manufacturing of casings with plastic, metal and composite materials for notebook computers, tablet computers and other portable devices in the Chongqing Shuangqiao Development Zone  |
| <b>“Chongqing Shuangqiao Construction Agreements”</b> | the construction agreements entered into between Tasun (Chongqing) Electronic Technology Co., Ltd., an indirect wholly owned subsidiary of the Company, and the Contractor on 31 December 2013 in respect of the Chongqing Shuangqiao Construction and the ancillary documents pursuant to the Chongqing Shuangqiao Construction Agreements |
| <b>“Chongqing Shuangqiao Development Zone”</b>        | 重慶市雙橋經濟技術開發區 (Chongqing Shuangqiao Economic and Technological Development Zone*) located in Chongqing City, the PRC   |
| <b>“Consideration”</b>                                | approximately RMB18.00 million (equivalent to approximately HK\$22.34 million), being the construction fee for the Jurong Construction, unless adjusted by the parties in the event of change of design and/or construction of the Jurong Production Plant  |
| <b>“Contractor”</b>                                   | 吳江市青雲建設有限公司(Wujiang City Qingyun Construction Co., Ltd.*)   |
| <b>“Director(s)”</b>                                  | director(s) of the Company  |
| <b>“Group”</b>  | the Company and its subsidiaries  |
| <b>“HK\$”</b>   | Hong Kong dollars, the lawful currency of Hong Kong   |
| <b>“Jurong Construction”</b>                          | construction of the Jurong Production Plant   |
| <b>“Jurong Construction Agreements”</b>               | the construction agreement entered into between Compal Precision and the Contractor on 29 May 2014 in respect of the Jurong Construction and the ancillary documents pursuant thereto   |
| <b>“Jurong Development Zone”</b>                      | 句容市開發區 (Jurong City Economic and Technological Development Zone*) located in Jiangsu Province, the PRC  |
| <b>“Jurong Production Plant”</b>                      | an integrated production plant for manufacturing of casings with plastic and metal for notebook computers, tablet computers and other portable devices to be constructed in the Jurong Development Zone pursuant to the Jurong Construction Agreements  |
| <b>“Listing Rules”</b>                                | the Rules Governing the Listing of Securities on the Stock Exchange   |
| <b>“PRC”</b>  | the People’s Republic of China  |
| <b>“RMB”</b>  | Renminbi, the lawful currency of the PRC  |

|                   |   |
|-------------------|---|
| “Shareholder(s)”  | shareholder(s) of the Company   |
| “Stock Exchange”  | The Stock Exchange of Hong Kong Limited   |
| “Warranty Fund”   | approximately RMB0.54 million (equivalent to approximately HK\$0.67 million), being 3% of the Consideration   |
| “Warranty Period” | a period ranging from one year to five years, depending on the parts of the Jurong Production Plant, starting from the completion of the construction of the relevant part of the Jurong Production Plant, during which the Contractor shall repair the defect of the Jurong Construction (if any) at the expense of the Contractor unless the defect is not caused by the Contractor |
| “%”               | per cent.   |

\* *the English translation of the Chinese name is for information purposes only, and should not be regarded as the official English translation of such name.*

*For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.241 has been used for currency conversions. This is for the purpose of illustration only and does not constitute a representation that any amounts in HK\$ and RMB have been, could have been or may be converted at such rate or any other exchange rate.*

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

Hong Kong, 30 May 2014

*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. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming.*