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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

PURCHASE OF EQUIPMENT

2019 EQUIPMENT AGREEMENTS WITH YAMAZEN GROUP

On 12 July 2019, 14 October 2019, 8 November 2019 and 8 November 2019, the Group entered into the 2019 Equipment Agreement I, 2019 Equipment Agreement II, 2019 Equipment Agreement III and 2019 Equipment Agreement IV respectively with the Yamazen Group, pursuant to which the Yamazen Group agreed to sell and the Group agreed to purchase the Equipment.

LISTING RULES IMPLICATION

Each of the 2019 Equipment Agreements is aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these agreements were entered into by the Group with parties in the same group within a 12-month period. The 2019 Equipment Agreement I, 2019 Equipment Agreement II and 2019 Equipment Agreement III, on a standalone basis, does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of (i) the 2019 Equipment Agreement III, when aggregated with the 2019 Equipment Agreement I and 2019 Equipment Agreement II; and (ii) the 2019 Equipment Agreement IV, whether on a standalone basis or when aggregated with the 2019 Equipment Agreement I, 2019 Equipment Agreement II and/or the 2019 Equipment Agreement III, is more than 5% but less than 25%, the transactions contemplated under the 2019 Equipment Agreements constituted discloseable transaction of the Company under Chapter 14 of the Listing Rules.

2019 EQUIPMENT AGREEMENTS WITH THE YAMAZEN GROUP

The Board announces that on 12 July 2019, 14 October 2019, 8 November 2019 and 8 November 2019, the Group entered into the 2019 Equipment Agreement I, 2019 Equipment Agreement II and 2019 Equipment Agreement III and 2019 Equipment Agreement IV respectively with the Yamazen Group, pursuant to which the Yamazen Group shall sell, and the Group shall purchase, the Equipment at a total consideration of approximately HK\$231,557,000.

The principal terms of each of the 2019 Equipment Agreements are identical, save for the particulars and quantities of the Equipment, the payment terms and the matters below:

	Date	Parties	Consideration
2019 Equipment Agreement I	12 July 2019	(1) Juteng Electronic (Taizhou) as buyer; and (2) Yamazen (Shenzhen) as seller	RMB61,020,000 (equivalent to approximately HK\$69,374,000, using an exchange rate of RMB1 = HK\$1.1369 (<i>Note</i>))
2019 Equipment Agreement II	14 October 2019	(1) CPM as buyer; and (2) Yamazen Corporation as seller	YEN354,000,000 (equivalent to approximately HK\$25,630,000, using an exchange rate of YEN1 = HK\$0.0724 (<i>Note</i>))
2019 Equipment Agreement III	8 November 2019	(1) CET as buyer; and (2) Yamazen (Shenzhen) as seller	RMB14,916,000 (equivalent to approximately HK\$16,734,000, using an exchange rate of RMB1 = HK\$1.1219 (<i>Note</i>))
2019 Equipment Agreement IV	8 November 2019	(1) CET as buyer; and (2) Yamazen (Shenzhen) as seller	RMB106,800,000 (equivalent to approximately HK\$119,819,000, using an exchange rate of RMB1 = HK\$1.1219 (<i>Note</i>))

Note: Such exchange rate is for illustration only and does not constitute a representation that any amounts were or may have been exchanged at such rate or any other rates.

Payment Terms

2019 Equipment Agreement I

The consideration under the 2019 Equipment Agreement I shall be settled in cash by telegraphic transfer, in the following manner:

- (a) 30% of which shall be settled within two weeks after signing of the 2019 Equipment Agreement I;
- (b) 40% of which shall be settled within two weeks after arrival of the Equipment in the facilities of the Group; and
- (c) 30% of which shall be settled within 30 days after passing of the inspection of the Equipment at the facilities of the Group.

2019 Equipment Agreement II

The consideration under the 2019 Equipment Agreement II shall be settled in cash by telegraphic transfer, in the following manner:

- (a) 20% of which shall be settled within two weeks after signing of the 2019 Equipment Agreement II;
- (b) 60% of which shall be settled within two weeks before shipping of the Equipment pursuant to the 2019 Equipment Agreement II; and
- (c) 20% of which shall be settled within 30 days after passing of the inspection of the Equipment at the facilities of the Group.

2019 Equipment Agreement III and 2019 Equipment Agreement IV

The consideration under the 2019 Equipment Agreement III and the 2019 Equipment Agreement IV shall be settled in cash by telegraphic transfer, in the following manner:

- (a) 10% of which shall be settled within two weeks after signing of the respective 2019 Equipment Agreement III and 2019 Equipment Agreement IV;
- (b) 40% of which shall be settled within two weeks before shipping of the Equipment pursuant to the respective 2019 Equipment Agreement III and 2019 Equipment Agreement IV;
- (c) 40% of which shall be settled within two weeks after arrival of the Equipment in the facilities of the Group; and

- (d) 10% of which shall be settled within 30 days after passing of the inspection of the Equipment at the facilities of the Group.

The consideration was determined on an arm's length basis based on the unit price of the Equipment.

Each of the 2019 Equipment Agreements is independent and their respective signing and execution are not inter-conditional upon the others.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2019 EQUIPMENT AGREEMENTS

It is the Group's strategy to expand its production in products with higher profit margin which includes metal casings. The Group requires equipment to be used in the production of metal casings in the Group's production plants in the PRC which is in line with the Group's strategy and business need. As such, the Board considers that the entering into of the 2019 Equipment Agreements with the Yamazen Group is beneficial to the Group as it could facilitate the procurement of such Equipment.

The Directors consider that the terms of each of the 2019 Equipment Agreements are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

INFORMATION ON THE GROUP AND THE YAMAZEN GROUP

The Group is principally engaged in the manufacture and sale of casings for notebook computer and handheld devices.

The Yamazen Group is principally engaged in, among others, the sale of production equipment. The Directors confirmed that, to the best of their knowledge, information and belief having made all reasonable enquiry, the Yamazen Group and its ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

LISTING RULES IMPLICATION

Each of the 2019 Equipment Agreements is aggregated as a single transaction pursuant to Rule 14.23 of the Listing Rules as these agreements were entered into by the Group with parties in the same group within a 12-month period. The 2019 Equipment Agreement I, 2019 Equipment Agreement II and 2019 Equipment Agreement III, on a standalone basis, does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of (i) the 2019 Equipment Agreement III, when aggregated with the 2019 Equipment Agreement I and 2019 Equipment Agreement II; and (ii) the 2019 Equipment Agreement IV, whether on a standalone basis or when aggregated with the 2019 Equipment Agreement I, 2019 Equipment Agreement II and/or the 2019 Equipment Agreement III, is more than 5% but less than 25%, the transactions contemplated under the 2019 Equipment Agreements constituted discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“2019 Equipment Agreements”	collectively, the 2019 Equipment Agreement I, the 2019 Equipment Agreement II, the 2019 Equipment Agreement III and the 2019 Equipment Agreement IV
“2019 Equipment Agreement I”	the agreement dated 12 July 2019 entered into between Yamazen (Shenzhen) as seller and Juteng Electronic (Taizhou) as buyer in respect of the purchase of the Equipment for a consideration of RMB61,020,000 (equivalent to approximately HK\$69,374,000)
“2019 Equipment Agreement II”	the agreement dated 14 October 2019 entered into between Yamazen Corporation as seller and CPM as buyer in respect of the purchase of the Equipment for a consideration of YEN354,000,000 (equivalent to approximately HK\$25,630,000)
“2019 Equipment Agreement III”	the agreement dated 8 November 2019 entered into between Yamazen (Shenzhen) as seller and CET as buyer in respect of the purchase of the Equipment for a consideration of RMB14,916,000 (equivalent to approximately HK\$16,734,000)
“2019 Equipment Agreement IV”	the agreement dated 8 November 2019 entered into between Yamazen (Shenzhen) as seller and CET as buyer in respect of the purchase of the Equipment for a consideration of RMB106,800,000 (equivalent to approximately HK\$119,819,000)
“Board”	the board of Directors
“CPM”	Compal Precision Module China Holdings Limited, an indirect non wholly owned subsidiary of the Company, incorporated in Mauritius
“Company”	Ju Teng International Holdings Limited, a company incorporated under the law of the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“CET”	Compal Electronic Technology (Chongqing) Co., Ltd., an indirect non wholly owned subsidiary of the Company, incorporated in the PRC

“Directors”	the directors of the Company
“Equipment”	compact machining centers and the related parts and accessories
“Group”	the Company and its subsidiaries
“Juteng Electronic (Taizhou)”	Juteng Electronic Technology (Taizhou) Co., Ltd., an indirect wholly owned subsidiary of the Company, incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yamazen Group”	Yamazen Corporation and its subsidiaries
“Yamazen (Shenzhen)”	Yamazen (Shenzhen) Trading Company Limited, a direct wholly owned subsidiary of Yamazen Corporation, incorporated in the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“YEN”	Japanese yen, the lawful currency of Japan
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

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

Hong Kong, 8 November 2019

As at the date of this announcement, the executive Directors are Mr. Cheng Li-Yu, Mr. Chiu Hui-chin, Mr. Huang Kuo-Kuang, Mr. Lin Feng-Chieh 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.