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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 AGREEMENT IN RELATION TO  
THE NEW SD PLANT**

**THE CONSTRUCTION AGREEMENT**

On 30 June 2020, Suzhou Dazhi, an indirect wholly-owned subsidiary of the Company, entered into the Construction Agreement with the Contractor in relation to the construction of the New SD Plant.

**LISTING RULES IMPLICATION**

As one of the applicable percentage ratios in respect of the Construction Agreement is more than 5% but less than 25%, the transaction contemplated under the Construction Agreement constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 9 June 2017 regarding the discloseable transaction in relation to, among others, the relocation agreement entered into between Suzhou Dazhi, an indirect wholly-owned subsidiary of the Company, and the Council, pursuant to which the Council has agreed to make compensation to Suzhou Dazhi covering the relocation costs and losses arising from the surrender of the land on which the Old SD Plant is located and the relocation of the Old SD Plant to the New SD Plant.

On 30 June 2020, Suzhou Dazhi entered into the Construction Agreement with the Contractor in relation to the construction of the New SD Plant.

## **THE CONSTRUCTION AGREEMENT**

### **Date**

30 June 2020

### **Parties**

- (1) Suzhou Dazhi, an indirect wholly-owned subsidiary of the Company; and
- (2) the Contractor

Based on publicly available information, the majority shareholding of the Contractor is held by a company established in the PRC which is principally engaged in real estate and construction businesses. The remaining shareholding of the Contractor is held by nine individuals. The Directors confirmed that, to the best of their knowledge, information and belief, having made all reasonable enquiry, the Contractor and its ultimate beneficial owners are Independent Third Parties.

### **Principal terms of the Construction Agreement**

Under the Construction Agreement, the Contractor has agreed to construct various production facilities, staff dormitories, warehouses, carpark, complex building, sewage treatment station, connecting corridor, water pool and door gate in the New SD Plant.

The Construction is expected to commence on 1 July 2020 and expected to be completed on 31 March 2021.

Should Suzhou Dazhi fail to accept all or any part of the Construction upon completion, Suzhou Dazhi is liable to pay a penalty of RMB1,000 for each day of delay for each block of building. Should the Contractor fail to complete the construction within 270 days after Suzhou Dazhi has approved the Construction, the Contractor is liable to pay a penalty of RMB1,000 for each day of delay for each block of building, and if such delay is caused by the Contractor, the Contractor's liability is capped at 1% of the consideration for the block of buildings in question.

The Contractor shall be responsible for repairing the defect of the Construction (if any) during the one year from the completion of the Construction contemplated under the Construction Agreement, failing which Suzhou Dazhi shall be entitled to deduct the repairment cost from the Warranty Fund and claim the Contractor any repairment cost exceeding the Warranty Fund.

## **Consideration under the Construction Agreement**

The aggregate sum of consideration payable to the Contractor by Suzhou Dazhi shall be RMB412,691,111 (equivalent to approximately HK\$452,309,000) in cash in the following manner:

- (i) RMB103,172,777.75 (equivalent to approximately HK\$113,077,000), being 25% of the consideration, shall be payable upon signing of the Construction Agreement;
- (ii) RMB82,538,222.20 (equivalent to approximately HK\$90,462,000), being 20% of the consideration, shall be payable after laying of the foundation of the Construction;
- (iii) RMB82,538,222.20 (equivalent to approximately HK\$90,462,000), being 20% of the consideration, shall be payable after completion of the construction of the respective framework for each of the buildings and structures of the Construction;
- (iv) RMB82,538,222.20 (equivalent to approximately HK\$90,462,000), being 20% of the consideration, shall be payable after Suzhou Dazhi's confirmation of acceptance of completion of the major parts of the Construction;
- (v) RMB49,522,933.32 (equivalent to approximately HK\$54,277,000), being 12% of the consideration, shall be payable after Suzhou Dazhi's confirmation of acceptance of completion of the entire Construction; and
- (vi) RMB12,380,733.33 (equivalent to approximately HK\$13,569,000), being 3% of the consideration (i.e. the Warranty Fund) (or the balance thereof), shall be payable within one year after the date of Suzhou Dazhi's acceptance of completion of the Construction.

The consideration under the Construction Agreement was determined based on arm's length negotiation between the parties with reference to the proposed design and standard of the Construction under the Construction Agreement and shall be satisfied by the internal resources of the Group.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CONSTRUCTION AGREEMENT**

The Old SD Plant was established over 18 years ago. In light of the increasing demand of more advanced technology and higher environmental protection requirements in the Group's products by its customers, the relocation of the Old SD Plant to the New SD Plant provides an opportunity for the Group to upgrade the technology and environmental friendliness of its production lines. Hence, by centralising and streamlining of production process in the New SD Plant, higher production efficiency and lower production costs could be achieved by the Group.

The Directors (including the independent non-executive Directors) are of the view that the construction of the New SD Plant and the terms of the Construction Agreement are fair and reasonable and in the interests of the Group and Shareholders as a whole.

## **LISTING RULES IMPLICATION**

As one of the applicable percentage ratios in respect of the Construction Agreement is more than 5% but less than 25%, the transaction contemplated under the Construction Agreement constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

## **INFORMATION OF THE PARTIES**

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

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

## **DEFINITIONS**

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

“Board”	the board of Directors
“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
“Contractor”	蘇州偉業集團建設發展有限公司 (Suzhou Weiye Group Construction Development Co., Ltd.*), a company established in the PRC and an Independent Third Party
“Construction”	the construction of certain buildings and structures in the New SD Plant pursuant to the Construction Agreement
“Construction Agreement”	a construction agreement (and the ancillary documents thereto) entered into between Suzhou Dazhi and the Contractor on 30 June 2020
“Council”	Council of Wujiang Economic and Technological Development Zone* (吳江經濟技術開發區管理委員會)

“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Parties”	third party independent of the Company and its connected persons (having the meaning ascribed to it under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New SD Plant”	new manufacturing facility of Suzhou Dazhi to be constructed at the parcel of land which is located at the east of Tongjin Road (同津大道) and north of Yinjia Road (殷家路) at Wujiang Development Zone (吳江開發區) at Jiangsu Province, the PRC
“Old SD Plant”	manufacturing facility of Suzhou Dazhi located at 1655 North Zhongshan Road of Wujiang Economic and Technological Development Zone (吳江經濟技術開發區) at Jiangsu Province, the PRC, which is using by Suzhou Dazhi for production of plastic and metal casings and moulds before relocation
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suzhou Dazhi”	蘇州大智資訊配件有限公司 (Suzhou Dazhi Communication Accessory Co., Ltd.*), a company established in the PRC and an indirect wholly owned subsidiary of the Company
“Warranty Fund”	3% of the consideration payable under the Construction Agreement
“Warranty Period”	a period ranging from one year to five years, depending on the parts of the production facilities, starting from Suzhou Dazhi’s confirmation of acceptance of completion of the relevant part of the Construction, during which the Contractor shall repair the defect of the Construction (if any) at the expense of the Contractor
“%”	per cent

*Amounts quoted in RMB have been converted into HK\$ at the rate of RMB1 to HK\$1.096 in this announcement. Such exchange rate has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at such rate or any other rates.*

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

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

Hong Kong, 30 June 2020

*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.*