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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

2020 EQUIPMENT AGREEMENTS WITH YAMAZEN CORPORATION

On 20 August 2020, 16 October 2020 and 16 October 2020, the Group entered into the 2020 Equipment Agreement I, 2020 Equipment Agreement II and 2020 Equipment Agreement III, respectively, with Yamazen Corporation, pursuant to which Yamazen Corporation agreed to sell and the Group agreed to purchase the Equipment.

LISTING RULES IMPLICATION

Each of the 2020 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 the same party within a 12-month period. Each of the 2020 Equipment Agreements, 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 the 2020 Equipment Agreements, when aggregated, is more than 5% but less than 25%, the transactions contemplated under the 2020 Equipment Agreements constituted discloseable transaction of the Company under Chapter 14 of the Listing Rules.

2020 EQUIPMENT AGREEMENTS WITH YAMAZEN CORPORATION

The Board announces that on 20 August 2020, 16 October 2020 and 16 October 2020, the Group entered into the 2020 Equipment Agreement I, 2020 Equipment Agreement II and 2020 Equipment Agreement III, respectively, with Yamazen Corporation, pursuant to which Yamazen Corporation shall sell, and the Group shall purchase, the Equipment at a total consideration of approximately HK\$159,548,000.

The principal terms of each of the 2020 Equipment Agreements are set out below:

	Date	Parties	Consideration
2020 Equipment Agreement I	20 August 2020	(1) Dynamic Apex as buyer; and (2) Yamazen Corporation as seller	YEN800,000,000 (equivalent to approximately HK\$58,400,000, using an exchange rate of YEN1 = HK\$0.0730 <i>(Note)</i>)
2020 Equipment Agreement II	16 October 2020	(1) Dynamic Apex as buyer; and (2) Yamazen Corporation as seller	YEN1,275,000,000 (equivalent to approximately HK\$93,713,000, using an exchange rate of YEN1 = HK\$0.0735 <i>(Note)</i>)
2020 Equipment Agreement III	16 October 2020	(1) Dynamic Apex as buyer; and (2) Yamazen Corporation as seller	YEN101,150,000 (equivalent to approximately HK\$7,435,000, using an exchange rate of YEN1 = HK\$0.0735 <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

2020 Equipment Agreement I and 2020 Equipment Agreement II

The consideration under the 2020 Equipment Agreement I and 2020 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 respective 2020 Equipment Agreement I and 2020 Equipment Agreement II;
- (b) 60% of which shall be settled within one week after obtaining the approval of export licence; 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.

2020 Equipment Agreement III

The consideration under the 2020 Equipment Agreement III shall be settled in cash by telegraphic transfer, in the following manner:

- (a) 20% of which shall be paid as deposit;
- (b) 60% of which shall be settled two weeks before shipping of the Equipment; 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.

The consideration for each of the 2020 Equipment Agreements was determined on an arm's length basis based on the unit price of the Equipment.

Each of the 2020 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 2020 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 2020 Equipment Agreements with Yamazen Corporation is beneficial to the Group as it could facilitate the procurement of such Equipment.

The Directors consider that the terms of each of the 2020 Equipment Agreements are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

INFORMATION ON THE GROUP AND YAMAZEN CORPORATION

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

Yamazen Corporation is principally engaged in, among others, the sale of production equipment. To the best knowledge, information and belief of the Directors, Yamazen Corporation is a company incorporated in Japan and listed on the Tokyo Stock Exchange (stock code: 8051). The Directors confirmed that, to the best of their knowledge, information and belief having made all reasonable enquiry, Yamazen Corporation and its ultimate beneficial owner(s) are third parties independent of the Group and its connected persons.

LISTING RULES IMPLICATION

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DEFINITIONS

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

“2020 Equipment Agreements”	collectively, the 2020 Equipment Agreement I, the 2020 Equipment Agreement II and the 2020 Equipment Agreement III
“2020 Equipment Agreement I”	the agreement dated 20 August 2020 entered into between Yamazen Corporation as seller and Dynamic Apex as buyer in respect of the purchase of the Equipment for a total consideration of YEN800,000,000 (equivalent to approximately HK\$58,400,000)

“2020 Equipment Agreement II”	comprises of two agreements dated 16 October 2020 entered into between Yamazen Corporation as seller and Dynamic Apex as buyer in respect of the purchase of the Equipment for a total consideration of YEN1,275,000,000 (equivalent to approximately HK\$93,713,000)
“2020 Equipment Agreement III”	comprises of two agreements dated 16 October 2020 entered into between Yamazen Corporation as seller and Dynamic Apex as buyer in respect of the purchase of the Equipment for a total consideration of YEN101,150,000 (equivalent to approximately HK\$7,435,000)
“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
“Directors”	the directors of the Company
“Dynamic Apex”	Dynamic Apex Macao Commercial Offshore Limited, an indirect wholly owned subsidiary of the Company, incorporated in the Macao Special Administrative Region of the People’s Republic of China
“Equipment”	compact machining centers and the related parts and accessories
“Group”	the Company and its subsidiaries
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“YEN”	Japanese yen, the lawful currency of Japan
“%”	per cent

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

Hong Kong, 16 October 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.