THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Ju Teng International Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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)

(1) EXTENSION OF MASTER SALES AGREEMENTS
(2) REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent financial adviser to the Independent Board Committee and the Independent Shareholders

OPTIMA CAPITAL

Optima Capital Limited

A letter from the Board is set out on pages 5 to 13 of this circular. A letter from the Independent Board Committee is set out on page 14 of this circular. A letter from Optima Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 28 of this circular.

A notice convening the EGM to be held at Pacific Room, 2/F, Island Pacific Hotel, 152 Connaught Road West, Hong Kong on 30 December 2011, at 3 p.m. is set out on pages 37 to 39 of this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

13 December 2011

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

"Board"	the board of Directors
"Compal"	Compal Electronics, Inc., a company incorporated under the laws of Taiwan and a substantial shareholder of Wah Yuen Technology Holding Limited, an indirect non-wholly owned subsidiary of the Company
"Compal Group"	collectively, Compal and its subsidiaries from time to time
"Compal Master Sales Renewal Agreement"	the renewal agreement for the Existing Compal Master Sales Agreement signed on 15 November 2011 (which shall be effective on 1 January 2012) and entered into between Giant Glory (for itself and on behalf of other members of the Group) and Compal and three of its subsidiaries (for itself and on behalf of other members of the Compal Group) in relation to the sales of the Products by the Group to the Compal Group for the term commencing from 1 January 2012 and ending 31 December 2014 (both dates inclusive)
"Company"	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 Stock Exchange
"Continuing Connected Transactions"	the continuing connected transactions under each of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement and the related annual caps
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened and held at Pacific Room, 2/F, Island Pacific Hotel, 152 Connaught Road West, Hong Kong on 30 December 2011, the notice of which is set out on pages 37 to 39 of this circular, and any adjournment thereof

"Existing Compal Master Sales Agreement"	the master sales agreement dated 1 January 2009 and entered into between Giant Glory (for itself and on behalf of other members of the Group) and Compal and three of its subsidiaries (for themselves and on behalf of other members of the Compal Group) in relation to the sales of the Products by the Group to the Compal Group
"Existing Scheme Limit"	the maximum number of Shares which may be issued upon exercise of all options granted/to be granted under the Share Option Scheme, being 10% of the issued share capital of the Company as at the date of passing of the Last Renewal Resolution
"Existing Wistron Master Sales Agreement"	the master sales agreement signed on 23 January 2009 (dated as of 31 December 2008) and entered into between Giant Glory (for itself and on behalf of other members of the Group) and Wistron (for itself and on behalf of other members of the Wistron Group) in relation to the sales of the Products by the Group to the Wistron Group for the term commencing from 1 January 2009 and ending 31 December 2011
"Giant Glory"	Giant Glory International Limited, a company incorporated under the laws of Samoa and a wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Independent Board Committee"	a board of committee, comprising the independent non-executive Directors who are not interested in the transactions contemplated under the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement, established to advise the Independent Shareholders in respect of the Continuing Connected Transactions
"Independent Shareholders"	any shareholder of the Company that is not required to abstain from voting at a general meeting, if necessary, to approve a connected transaction
"Independent Third Party(ies)"	independent third party or parties and its/their ultimate beneficial owner(s) who is/are independent to the Company and is/are not the connected persons (as defined under the Listing Rules) of the Company

"Invested Entity"	any entity in which any member of the Group holds any equity interest
"Last Renewal Resolution"	the ordinary resolution passed at the extraordinary general meeting of the Company held on 26 February 2009 for the renewal of the Existing Scheme Limit
"Latest Practicable Date"	7 December 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
"Optima Capital"	Optima Capital Limited, is a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders regarding the Continuing Connected Transactions
"Participants"	any employee (whether full time or part time including any executive director but excluding any non-executive director) and non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity, any suppliers of goods or services to any member of the Group or any Invested Entity, any customers of the Group or any Invested Entity, any person or entity that provides research, development or other technological support to the Group or any Invested Entity, any shareholders or holders of any securities of any member of the Group or any Invested Entity, any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity, and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliances or other business arrangement to the development and growth of the Group

"Products"	casings for electronic products and related materials manufactured and/or supplied by the Group
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholders"	shareholders of the Company
"Share Option Scheme"	the share option scheme adopted by the Company on 6 October 2005
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Wistron"	Wistron Corporation, a company incorporated in Taiwan and a substantial shareholder of Mindforce Holdings Limited, a 71%-owned indirect subsidiary of the Company
"Wistron Group"	collectively, Wistron and its subsidiaries from time to time
"Wistron Master Sales Renewal Agreement"	the renewal agreement for the Existing Wistron Master Sales Agreement signed on 31 October 2011 (which shall be effective on 1 January 2012) and entered into between Giant Glory (for itself and on behalf of other members of the Group) and Wistron (for itself and on behalf of other members of the Wistron Group) in relation to the sales of the Products by the Group to the Wistron Group for the term commencing from 1 January 2012 and ending 31 December 2014 (both dates inclusive)
"HK$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China
"%"	per cent

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)

Executive Directors:
Mr. Cheng Li-Yu
Mr. Cheng Li-Yen
Mr. Huang Kuo-Kuang
Mr. Hsieh Wan-Fu
Mr. Lo Jung-Te
Mr. Tsui Yung Kwok

Independent non-executive Directors:
Mr. Cherng Chia-Jiun
Mr. Tsai Wen-Yu
Mr. Yip Wai Ming

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business in Hong Kong:
Suites 3311-3312
Jardine House
1 Connaught Place
Central
Hong Kong

13 December 2011

To the Shareholders

Dear Sir or Madam,

(1) EXTENSION OF MASTER SALES AGREEMENTS
(2) REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the EGM to approve the Continuing Connected Transactions and the proposed refreshment of the Existing Scheme Limit.

EXTENSION OF THE EXISTING COMPAL MASTER SALES AGREEMENT

Background

Reference is made to the announcements of the Company dated 2 February 2009 and 1 September 2009 in relation to the Existing Compal Master Sales Agreement.

Pursuant to the Existing Compal Master Sales Agreement, the Group has been selling the Products to the Compal Group on an on-going basis. The Existing Compal Master Sales Agreement will expire on 31 December 2011.

It is expected that the continuing connected transactions under the Existing Compal Master Sales Agreement shall continue after the expiry of the Existing Compal Master Sales Agreement on 31 December 2011. Therefore, on 15 November 2011, Compal and three of its subsidiaries (for themselves and on behalf of the other members of the Compal Group) entered into the Compal Master Sales Renewal Agreement with Giant Glory (for itself and on behalf of the members of the Group) to ensure continual supply of the Products by the Group to the Compal Group after the expiry of the terms of the Existing Compal Master Sales Agreement.

Principal terms of the Compal Master Sales Renewal Agreement

Pursuant to the Compal Master Sales Renewal Agreement, the Group agreed to sell the Products to Compal or other members of the Compal Group at prices to be determined from time to time by the Group and Compal (for itself and on behalf of the other members of the Compal Group) with reference to the market prices and on such terms that are no more favourable than those applicable to the sales of the Products by the Group to Independent Third Party(ies). The price of the Products shall be payable by the Compal Group to the Group in arrears on 120 days' credit period by transferring to the Group's bank account. The Compal Master Sales Renewal Agreement is for a period from 1 January 2012 to 31 December 2014 (both dates inclusive) unless terminated earlier by 30 days' written notice according to the terms and conditions of the Compal Master Sales Renewal Agreement.

Existing annual caps and annual caps for the three years ending 31 December 2014

For each of the three years ending 31 December 2011, the annual caps under the Existing Compal Master Sales Agreement were HK$2,800 million, HK$3,500 million and HK$4,400 million, respectively. The Directors expect that the annual caps of sale of the Products by the Group to the Compal Group for each of the three years ending 31 December 2014 will be HK$3,385 million, HK$4,235 million and HK$5,296 million, respectively.

The proposed annual caps for each of the three years ending 31 December 2014 are determined by the Company based on the following major factors:

1. the amount of sales of the Products by the Group to the Compal Group for each of the five years ended 31 December 2010 and the nine months ended 30 September 2011, which amounted to approximately HK$507 million, HK$713 million, HK$746 million, HK$2,500 million, HK$2,559 million and HK$1,639 million, respectively and accounted for approximately 14.2%, 13.5%, 10.3%, 33.5%, 35.7% and 27.3% of the Group's total revenue for the respective year/period, and a compound annual growth rate of 49.9% (which is calculated as follows: ((HK$2,559 million/HK$507 million)^(1/4))-1)) for the five years ended 31 December 2010;

2. existing purchase orders on hand and orders under negotiation and pending confirmation from the Compal Group;

3. the expected growth rate and the projected transaction amounts of sales of the Products by the Group to the Compal Group for the year ending 31 December 2011 which are principally based on the actual historical sales transactions and confirmed purchase orders for the period from November to December 2011;

4. expected growth of purchase orders from the Compal Group to the Group for the manufacturing of casings for PC tablets and aluminum alloy casings in the future in view of the growing potential of PC tablets and notebooks with aluminum casing; and

5. expected business growth of the Compal Group in the coming three years after taking into consideration of the following:

   (i) the growth of worldwide notebook computer industry (according to the data from the International Data Corporation ("IDC"), an international intelligence service provider in the information technology industry, the annual growth rate of the shipments of worldwide portable computers during the period from 2011 to 2014 is expected to be between 15.5% and 19.6%. Even though the U.S. and Japanese economy remained weak while the European sovereign debt crisis was deepening, notebook computer sales in emerging markets such as China and India remained robust, which had made up for the relatively poor sales in the U.S., Europe and Japan. Together with the recent announcement of Intel for its invention of Ultrabook (a new class of super-thin and powerful laptop) and the coming-up release of Windows 8 (the next version of the Microsoft Windows computer operating system), it is expected that the notebook computer industry will be revitalized with more demands from the market.); and

   (ii) additional purchase orders to the Compal Group from its customers.

Reasons for, and benefits of the continuing connected transactions

As those Products sold by the Group to Compal and other members of the Compal Group are principally parts and components of notebook computer casings which are manufactured by using the metallic stamping moulds and plastic injection moulds solely owned by the Group, Compal and other members of the Compal Group can purchase such designated parts and components of these notebook computer casings from the Group only.

Having regard to the expected growth in demand for notebook computers, the Directors consider that the Group will benefit from the continuing connected transactions and the Compal Master Sales Renewal Agreement for the further enhancement of the Group's client portfolio.

The Directors considered the Compal Master Sales Renewal Agreement and the related annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EXTENSION OF THE EXISTING WISTRON MASTER SALES AGREEMENT

Background

Reference is made to the announcement of the Company dated 2 February 2009 in relation to the Existing Wistron Master Sales Agreement.

Pursuant to the Existing Wistron Master Sales Agreement, the Group has been selling the Products to the Wistron Group on an on-going basis. The Existing Wistron Master Sales Agreement will expire on 31 December 2011.

It is expected that the continuing connected transactions under the Existing Wistron Master Sales Agreement shall continue after the expiry of the Existing Wistron Master Sales Agreement on 31 December 2011. Therefore, on 31 October 2011, Wistron (for itself and on behalf of the other members of the Wistron Group) entered into the Wistron Master Sales Renewal Agreement with Giant Glory (for itself and on behalf of the members of the Group) to ensure continual supply of the Products by the Group to the Wistron Group after the expiry of the terms of the Existing Wistron Master Sales Agreement.

Principal terms of the Wistron Master Sales Renewal Agreement

Pursuant to the Wistron Master Sales Renewal Agreement, the Group agreed to sell the Products to the Wistron Group at prices to be determined from time to time by the parties with reference to the market prices and on normal and usual commercial terms that are no more favourable than those applicable to the sales of the Products by the Group to Independent Third Party(ies). The price of the Products shall be payable by the Wistron Group to the Group in arrears on 120 days' credit period by transferring to the Group's bank account. The Wistron Master Sales Renewal Agreement is for a period from 1 January 2012 to 31 December 2014 (both dates inclusive) unless terminated earlier by 30 days' written notice according to the terms and conditions of the Wistron Master Sales Renewal Agreement.

Existing annual caps and annual caps for the three years ending 31 December 2014

For each of the three years ending 31 December 2011, the annual caps under the Existing Wistron Master Sales Agreement were HK$2,878 million, HK$3,455 million and HK$4,150 million, respectively. The Directors expect that the annual caps of sale of the Products by the Group to the Wistron Group for each of the three years ending 31 December 2014 will be HK$3,455 million, HK$4,321 million and HK$5,405 million, respectively.

The proposed annual caps for each of the three years ending 31 December 2014 are determined by the Company based on the following major factors:

1. the amount of sales of the Products by the Group to the Wistron Group for each of the five years ended 31 December 2010 and the nine months ended 30 September 2011, which amounted to approximately HK$707 million, HK$1,188 million, HK$2,234 million, HK$2,260 million, HK$1,956 million and HK$1,898 million, respectively and accounted for approximately 19.9%, 22.5%, 30.8%, 30.3%, 27.3% and 31.6% of the Group's total revenue for the respective year/period, and a compound annual growth rate of 29.0% (which is calculated as follows: ((HK$1,956 million/HK$707 million)^(1/4))-1)) for the five years ended 31 December 2010;

2. existing purchase orders on hand and orders under negotiation and pending confirmation from the Wistron Group;

3. the expected growth rate and the projected transaction amounts of sales of the Products by the Group to the Wistron Group for the year ending 31 December 2011 which are principally based on the actual historical sales transactions and confirmed purchase orders for the period from November to December 2011; and

4. expected business growth of the Wistron Group in the coming three years after taking into consideration of the following:

   (i) the growth of worldwide notebook computer industry (according to the data from the IDC, an international intelligence service provider in the information technology industry, the annual growth rate of the shipments of worldwide portable computers during the period from 2011 to 2014 is expected to be between 15.5% and 19.6%. Even though the U.S. and Japanese economy remained weak while the European sovereign debt crisis was deepening, notebook computer sales in emerging markets such as China and India remained robust, which had made up for the relatively poor sales in the U.S., Europe and Japan. Together with the recent announcement of Intel for its invention of Ultrabook (a new class of super-thin and powerful laptop) and the coming-up release of Windows 8 (the next version of the Microsoft Windows computer operating system), it is expected that the notebook computer industry will be revitalized with more demands from the market.); and

   (ii) additional purchase orders to the Wistron Group from its customers.

Reasons for, and benefits of the continuing connected transactions

As those Products sold by the Group to Wistron and other members of the Wistron Group are principally parts and components of notebook computer casings which are manufactured by using the metallic stamping moulds and plastic injection moulds solely owned by the Group, Wistron and other members of the Wistron Group can purchase such designated parts and components of these notebook computer casings from the Group only. The Directors consider that the Group will benefit from the continuing connected transactions under the Wistron Master Sales Renewal Agreement for the further enhancement of the Group's sales portfolio.

The Directors considered the Wistron Master Sales Renewal Agreement and the related annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP, THE COMPAL GROUP AND THE WISTRON GROUP

The Group has been principally engaged in the manufacturing and sale of notebook computer casings, parts and other related materials. The products of the Group also include casings for LCD TVs and digital cameras. Giant Glory is principally engaged in the sales of notebook computer casings and trading of production materials for notebook computer casings.

The Compal Group is principally engaged in the design and manufacturing of products of information and communication technology and the provision of related services.

The Wistron Group is principally engaged in the design and manufacturing of products of information and communication technology and the provision of related services.

IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, as Compal is a substantial shareholder of Wah Yuen Technology Holding Limited, a non-wholly owned subsidiary of the Company, Compal is a connected person of the Company, the sales under the Compal Master Sales Renewal Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, as Wistron is a substantial shareholder of Mindforce Holdings Limited, a non-wholly owned subsidiary of the Company, Wistron is a connected person of the Company, the sales under the Wistron Master Sales Renewal Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the expected annual caps for the sales under each of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement for each of the three years ending 31 December 2014 are expected to exceed 5% and the annual consideration receivable from each of the Compal Group and Wistron Group in respect of their respective continuing connected transactions is expected to exceed HK$10 million, the continuing connected transactions under each of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement with the expected annual caps constitute non-exempt continuing connected transactions of the Company under Chapter 14A of the Listing Rules and such transactions are subject to the disclosure, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors had a material interest in the Continuing Connected Transactions.

REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

Pursuant to the written resolution of all Shareholders passed on 6 October 2005, the Share Option Scheme was adopted. The purpose of the Share Option Scheme is to provide Participants with the opportunity to acquire equity interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholders as a whole.

Pursuant to Chapter 17 of the Listing Rules, the total number of securities which may be issued upon exercise of all options to be granted under a share option scheme and any other schemes of a listed issuer must not in aggregate exceed 10% of the relevant class of securities of the listed issuer (or the subsidiary) in issue as at the date of approval of the share option scheme. Options lapsed in accordance with the share option scheme will not be counted for the purpose of calculating the 10% limit. The listed issuer may seek approval by its shareholders in general meeting for "refreshing" the 10% limit under the share option scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer (or the subsidiary) under the limit as "refreshed" must not exceed 10% of the relevant class of securities in issue as at the date of approval of the refreshed limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as "refreshed". The Listing Rules also provide that the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other schemes must not exceed 30% of the relevant class of securities of the listed issuer (or the subsidiary) in issue from time to time.

The Existing Scheme Limit is 100,000,000 Shares, representing 10% of the Shares in issue as at the date of passing of the Last Renewal Resolution and approximately 8.93% of the Shares in issue as at the Latest Practicable Date. Up to the Latest Practicable Date, options carrying right to subscribe for 90,200,000 Shares have been granted pursuant to the authority given under the Last Renewal Resolution, and 6,324,000 of such options have lapsed. Unless the Existing Scheme Limit was "refreshed", only 16,124,000 (representing approximately 16.124% of the Existing Scheme Limit) Shares might be issued pursuant to the grant of further options under the Share Option Scheme.

The Directors consider that the Company should refresh the Existing Scheme Limit so that the Company could have more flexibility to provide incentives to the Participants by way of granting share options to them. If the refreshment of the Existing Scheme Limit is approved at the EGM, based on the 1,119,972,000 Shares in issue as at the Latest Practicable Date and assuming that the issued share capital of the Company remains unchanged on the date of the EGM, the Company will be allowed under the "refreshed limit" to grant options carrying the rights to subscribe for up to a total of 111,997,200 Shares, representing 10% of the issued share capital of the Company as at the EGM.

Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. Apart from the options granted under the Share Option Scheme, the Company has no outstanding options to subscribe for Shares.

None of the grantees has been granted with options which exceed the limit of 1% of the issued share capital of the Company in the 12 months period up to and including the respective dates of grant as set out in note to Rule 17.03(4) of the Listing Rules.

As at the Latest Practicable Date, the total number of Shares which may fall to be issued upon the exercise of all outstanding options under the Share Option Scheme is 141,022,000, representing approximately 12.59% of the Shares in issue as at Latest Practicable Date. If the refreshment of the Existing Scheme Limit is approved at the EGM, the existing outstanding options of the Company and the options to be granted under the "refreshed limit" will not exceed 30% of the issued share capital of the Company.

The Directors consider that the refreshment of the Existing Scheme Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other Participants under the Share Option Scheme.

The refreshment of the Existing Scheme Limit is conditional upon:

i. the passing of an ordinary resolution at the EGM to approve the said refreshment; and

ii. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the EGM.

Application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the EGM.

RECOMMENDATIONS

The Independent Board Committee (comprising Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming, being all the independent non-executive Directors) has been formed to consider the terms of the Continuing Connected Transactions and to advise the Independent Shareholders as to whether the terms of the Continuing Connected Transactions are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Optima Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 14 of this circular which contains its advice to the Independent Shareholders in respect of the Continuing Connected Transactions; and (ii) the letter from Optima Capital set out on pages 15 to 28 of this circular which contains its recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transactions and the principal factors and reasons considered by them in formulating the recommendation.

The Independent Board Committee, having taken into account of the recommendation of Optima Capital, considers that the terms of the Continuing Connected Transactions are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolutions which will be proposed at the EGM relating to the Continuing Connected Transactions.

EGM

The Company will convene the EGM at 3 p.m. on 30 December 2011 at Pacific Room, 2/F, Island Pacific Hotel, 152 Connaught Road West, Hong Kong to consider and, if thought fit, approve (a) the Compal Master Sales Renewal Agreement, the transactions contemplated thereby and the related annual caps; (b) the Wistron Master Sales Renewal Agreement, the transactions contemplated thereby and the related annual caps; and (c) the proposed refreshment of the Existing Scheme Limit. A notice of the EGM is set out on pages 37 to 39 of this circular.

Compal and its associates shall abstain from voting on the resolution proposed to be passed at the EGM for approving the continuing connected transactions under the Compal Master Sales Renewal Agreement and the related annual caps. As at the Latest Practicable Date, to the best knowledge of the Directors, none of Compal nor its associates were interested in or were entitled to exercise control over the voting rights of the Shares.

Wistron and its associates shall abstain from voting on the resolution proposed to be passed at the EGM for approving the continuing connected transactions under the Wistron Master Sales Renewal Agreement and the related annual caps. As at the Latest Practicable Date, to the best knowledge of the Directors, none of Wistron nor its associates were interested in or were entitled to exercise control over the voting rights of the Shares.

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the EGM will therefore demand a poll for every resolution put to the vote of the EGM pursuant to article 72 of the articles of association of the Company. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

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

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)

13 December 2011

To the Independent Shareholders

Dear Sir or Madam,

EXTENSION OF MASTER SALES AGREEMENTS

We refer to the circular issued by the Company to its Shareholders dated 13 December 2011 (the "Circular") of which this letter forms part.

Terms defined in the Circular have the same meanings when used herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider the terms of the Continuing Connected Transactions and to advise the Independent Shareholders as to whether, in our opinion, the terms of the Continuing Connected Transactions are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. Optima Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board set out on pages 5 to 13 of the Circular which contains, among others, information on the Continuing Connected Transactions as well as the letter from Optima Capital set out on pages 15 to 28 of the Circular which contains its recommendation in respect of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement and the Continuing Connected Transactions contemplated thereby.

Having taken into account the recommendation of Optima Capital, we consider that the terms of the Continuing Connected Transactions and the related annual caps are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM in relation to the Continuing Connected Transactions contemplated under the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement and the related annual caps.

Yours faithfully,
Independent Board Committee
Mr. Cherng Chia-Jiun **Mr. Tsai Wen-Yu** **Mr. Yip Wai Ming**
Independent non-executive Directors

The following is the letter of advice from Optima Capital to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

Suite 1501, 15th Floor
Jardine House
1 Connaught Place
Central, Hong Kong

13 December 2011

To: the Independent Board Committee and
the Independent Shareholders

Dear Sir or Madam,

EXTENSION OF MASTER SALES AGREEMENTS

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the continuing connected transactions in relation to the sales of the Products to the Compal Group under the Compal Master Sales Renewal Agreement (the "Compal CCT") and the continuing connected transactions in relation to the sales of Products to the Wistron Group under the Wistron Master Sales Renewal Agreement (the "Wistron CCT") and the respective proposed annual caps (the "Annual Caps"), for which Independent Shareholders' approval is being sought. Details of the Compal CCT and the Wistron CCT and the respective proposed Annual Caps are set out in the letter from the Board (the "Letter") contained in the circular of the Company to the Shareholders dated 13 December 2011 (the "Circular"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined.

On 1 January 2009, Giant Glory, a wholly-owned subsidiary of the Company, and Compal entered into the Existing Compal Master Sales Agreement pursuant to which the Group agreed to sell the Products to the Compal Group on an on-going basis. The Existing Compal Master Sales Agreement will expire on 31 December 2011. It is expected that the continuing connected transactions with the Compal Group shall continue after the expiry of the Existing Compal Master Sales Agreement. Therefore, on 15 November 2011, Compal and three of its subsidiaries (for themselves and on behalf of the other members of the Compal Group) entered into the Compal Master Sales Renewal Agreement with Giant Glory (for itself and on behalf of the members of the Group) to ensure continual supply of the Products by the Group to the Compal Group after the expiry of the Existing Compal Master Sales Agreement.

On 23 January 2009, Giant Glory and Wistron entered into the Existing Wistron Master Sales Agreement (dated as of 31 December 2008) pursuant to which the Group agreed to sell the Products to the Wistron Group on an on-going basis. The Existing Wistron Master Sales Agreement will expire on 31 December 2011. On 31 October 2011, Wistron (for itself and on behalf of the other members of the Wistron Group) entered into the Wistron Master Sales Renewal Agreement with Giant Glory (for itself and on behalf of the members of the Group) to ensure continual supply of the Products by the Group to the Wistron Group after the expiry of the Existing Wistron Master Sales Agreement.

As at the Latest Practicable Date, as Compal was a substantial shareholder of Wah Yuen Technology Holding Ltd., a non-wholly owned subsidiary of the Company, Compal was a connected person of the Company and the sales under the Compal Master Sales Renewal Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, as Wistron was a substantial shareholder of Mindforce Holdings Limited, a non-wholly owned subsidiary of the Company, Wistron was a connected person of the Company and the sales under the Wistron Master Sales Renewal Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the expected annual caps for the sales under each of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement for each of the three years ending 31 December 2014 are expected to exceed 5% and the annual consideration receivable from each of the Compal Group and the Wistron Group in respect of their respective continuing connected transactions is expected to exceed HK$10 million, the Compal CCT and the Wistron CCT constitute non-exempt continuing connected transactions of the Company under Chapter 14A of the Listing Rules and such transactions are subject to the disclosure, reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Given Compal was a connected person of the Company as at the Latest Practicable Date, Compal and its associates are required to abstain from voting on the ordinary resolution to be proposed at the EGM to approve the Compal CCT and the related annual caps (the "Compal Caps"). Given Wistron was a connected person of the Company as at the Latest Practicable Date, Wistron and its associates are required to abstain from voting on the ordinary resolution to be proposed at the EGM to approve the Wistron CCT and the related annual caps (the "Wistron Caps"). Such resolutions will be taken by way of poll.

The Independent Board Committee, comprising all of the three independent non-executive Directors, namely Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming has been established to consider the terms of the Continuing Connected Transactions and to advise the Independent Shareholders as to whether the terms of the Continuing Connected Transactions are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Optima Capital has been appointed as the independent financial adviser to make recommendation to the Independent Board Committee and the Independent Shareholders in this regard.

In formulating our opinion, we have relied on the information and facts supplied, and the opinions expressed, by the executive Directors and management of the Company up to the Latest Practicable Date and have assumed that the information and facts provided and opinions expressed to us are true, accurate and complete in all material aspects at the time they were made and up to the date of the EGM. We have also sought and received confirmation from the executive Directors that no material facts have been omitted from the information supplied and opinions expressed to us. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view and have no reason to believe that any material information has been withheld, nor doubt the truth or accuracy of the information provided. We have not, however, conducted any independent investigation into the business and affairs of the Group, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In considering whether the terms of the Continuing Connected Transactions (together with the proposed Annual Caps) are fair and reasonable in so far as the Independent Shareholders are concerned, we have taken into account the principal factors and reasons set out below:

1. Background and reasons for the Continuing Connected Transactions

Information on the Company

The Group is principally engaged in the manufacturing and sale of notebook computer casings, part and other related materials. The products of the Group also include the casings for liquid crystal display television (the "LCD TV") and digital cameras. The Group is one of the major manufacturers of worldwide notebook computer casings which are sold to the manufacturers of notebook computers. According to the annual report of the Company for the year ended 31 December 2010 (the "Annual Report"), the Group operated 7 factories with annual production capacity reaching 80 million casings during the year ended 31 December 2010. In terms of sales volume, plastic casings of notebook computer remained a major contributor to the Group. Since the acquisition of controlling stake in magnesium alloy casing manufacturer, Wah Yuen Technology Holding Limited ("Wah Yuen") in March 2009, Wah Yuen has shown healthy growth with orders improving steadily. The Directors consider metal notebook computer casing has a higher gross margin compared to the plastic casing and the Group is optimistic about the growth and future performance of Wah Yuen. Accordingly, the Group has participated in the subscription of 64,080,895 shares of Wah Yuen at the subscription price of US$0.9646 per share of Wah Yuen in November 2011, details of which are set out in the announcement of the Company dated 25 November 2011. During the six months ended 30 June 2011, the Group also commenced construction work on the first phase of a new production facility in Sichuan Province, which is expected to be operational by early 2012. Giant Glory is principally engaged in the sales of notebook computer casings and trading of production materials for notebook computer casings.

Information on the Compal Group

Compal, a public listed company on the Taiwan Stock Exchange, is one of the leading notebook computer manufacturers in the world. Compal also produces netbook, PC tablets, eReader, all-in-one computer, LCDs and other computer-related products. Compal products are sold domestically in Taiwan and exported to Asia, Europe and the United States. Compal and the other members of the Compal Group are principally engaged in the design and manufacturing of products of information and communication technology and the provision of related services. The Group has been selling its notebook computer casings and related materials to Compal Group since 2003.

In January 2009, the Group entered into the Existing Compal Master Sales Agreement with the Compal Group to regulate the sale arrangements of casings for electronic products and related materials from the Group to the Compal Group. Pursuant to the Existing Compal Master Sales Agreement, the Group agreed to sell the Products to the Compal Group on an on-going basis. The Existing Compal Master Sales Agreement will expire on 31 December 2011. Given the Compal Group is one of the Group's major customers and the Group has been selling the Products to the Compal Group since 2003, the Compal Master Sales Renewal Agreement was entered into on 15 November 2011 to ensure the continual supply of the Products by the Group to the Compal Group after expiry of the Existing Compal Master Sales Agreement.

Information on the Wistron Group

Wistron, a public listed company on the Taiwan Stock Exchange, is principally engaged in the design and manufacturing of products of information and communication technology and the provision of related services. Its product portfolio covers a wide range of technology products including, among others, notebook personal computers ("PCs"), mobile communication products, server and storage system.

In January 2009, the Group entered into the Existing Wistron Master Sales Agreement with the Wistron Group to regulate the sale arrangements of Products to the Wistron Group. Pursuant to the Existing Wistron Master Sales Agreement, the Group agreed to sell the Products to the Wistron Group on an on-going basis. The Existing Wistron Master Sales Agreement will expire on 31 December 2011. Given the Wistron Group is one of the Group's major customers and the Group has been selling the Products to the Wistron Group since 2004, the Wistron Master Sales Renewal Agreement was entered into on 31 October 2011 to ensure the continual supply of the Products by the Group to the Wistron Group after expiry of the Existing Wistron Master Sales Agreement.

In view of the Group's principal activities and its existing business relationship with the Compal Group and Wistron Group, we are of the view that each of the Compal CCT and the Wistron CCT is recurring in nature and in the ordinary and usual course of business of the Group.

2. Principal terms of the agreements

Compal Master Sales Renewal Agreement

Pursuant to the Compal Master Sales Renewal Agreement, the Group agreed to sell the Products to Compal or other members of the Compal Group at prices to be determined from time to time by the Group and Compal (for itself and on behalf of the other members of the Compal Group) with reference to market prices. The price of the Products shall be payable by the Compal Group to the Group in arrears on 120 days' credit period by transferring to the Group's bank account. In this connection, we discussed with the management of the Company and have reviewed sample copies of sales invoices issued by the Group to the Compal Group and purchased orders received by the Group from the Compal Group for similar products. We noted that the payment terms (including the prices and the settlement terms) offered by the Group to the Compal Group are comparable to and no more favourable than those applicable to the sales of the Products by the Group to Independent Third Parties. The Compal Master Sales Renewal Agreement has a term of three years commencing from 1 January 2012 and ending on 31 December 2014, unless terminated earlier by 30 days' written notice according to the terms and conditions of the Compal Master Sales Renewal Agreement.

As set out in the Letter, the terms of the Compal Master Sales Renewal Agreement were arrived at after arm's length negotiation between the Group and the Compal Group and we understand that the principal terms of the Compal Master Sales Renewal Agreement were similar to those of the Existing Compal Master Sales Agreement.

Wistron Master Sales Renewal Agreement

Pursuant to the Wistron Master Sales Renewal Agreement, the Products will be sold to the Wistron Group at prices to be determined from time to time by the parties with reference to the market prices. The price of the Products shall be payable by the Wistron Group to the Group in arrears on 120 days' credit period by transferring to the Group's bank account. In this connection, we discussed with the management of the Company and have reviewed sample copies of sales invoices issued by the Group to the Wistron Group and purchase orders received by the Group from the Wistron Group for similar products. We noted that the payment terms (including the prices and the settlement terms) offered by the Group to the Wistron Group are comparable to and no more favourable than those applicable to the sales of the Products by the Group to Independent Third Parties. The Wistron Master Sales Renewal Agreement has a term of three years commencing from 1 January 2012 and ending on 31 December 2014, unless terminated earlier by 30 days' written notice according to the terms and conditions of the Wistron Master Sales Renewal Agreement.

As set out in the Letter, the terms of the Wistron Master Sales Renewal Agreement were arrived at after arm's length negotiation between the Group and the Wistron Group and we understand that the principal terms of the Wistron Master Sales Renewal Agreement were similar to those of the Existing Wistron Master Sales Agreement.

Our view

Given (i) the principal terms of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement are similar to those offered by the Group to other Independent Third Parties; (ii) the actual pricing of the Products will be agreed with reference to the prevailing market prices at the time when the purchase order is placed by the Compal Group and/or Wistron Group; and (iii) the pricing of the Products will be no more favourable to the Compal Group and/or Wistron Group than those between the Group and Independent Third Parties, we consider that the terms of each of the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement are fair and reasonable in so far as the Independent Shareholders are concerned.

3. Proposed Annual Caps

Review of past Compal CCT and past Wistron CCT

Review of past Compal CCT

The transaction value of the Products sold by the Group to the Compal Group has been progressively increasing during the period from 2006 to 2010, which amounted to approximately HK$507 million, HK$713 million, HK$746 million, HK$2,500 million and HK$2,559 million for each of the five years ended 31 December 2010 respectively, and of which the compound annual growth rate ("CAGR") is approximately 49.9%[1]. The sales amount of the Products to Compal Group has increased by approximately 40.6%, 4.6%, 235.1% and 2.4% for each of the four years ended 31 December 2010 as compared to each of the previous year.

The original annual caps for the sales under the Existing Compal Master Sales Agreements were HK$1,498 million, HK$2,168 million and HK$2,824 million respectively for the three years ended 31 December 2011, which were approved by the Independent Shareholders at the extraordinary general meeting of the Company held on 26 February 2009. Pursuant to the announcement of the Company dated 1 September 2009, in view of the growing demand of the Products by the Compal Group at a fast pace during the six months ended 30 June 2009 and the aggregate values of the continuing connected transactions were expected to exceed the then original annual caps, the annual caps were revised to HK$2,800 million, HK$3,500 million and HK$4,400 million respectively for the

1 The CAGR of 49.9% of transaction value of the Products sold by the Group to Compal Group for the period from 2006 to 2010 is calculated as follows: ((2,559/507)^(1/4))-1)

three years ended 31 December 2011 and the relevant resolution was approved by the Independent Shareholders at the extraordinary general meeting of the Company held on 30 September 2009.

The Compal Group has been a customer of the Group since 2003. The increase in importance of the Compal CCT is evidenced by the increase in sales amount of the Products to the Compal Group as a percentage to the Group's total revenue from approximately 14.2% for the year ended 31 December 2006 to approximately 35.7% for the year ended 31 December 2010. According to the unaudited management accounts of the Group, the sales amount of the Products to Compal Group for the nine months ended 30 September 2011 was approximately HK$1,639 million.

Review of past Wistron CCT

The transaction value of the Products sold by the Group to the Wistron Group has been increased during the period from 2006 to 2009, which amounted to approximately HK$707 million, HK$1,188 million, HK$2,234 million and HK$2,260 million for each of the four years ended 31 December 2009 respectively. The sales amount of the Products to Wistron Group has increased by approximately 68.0%, 88.0% and 1.2% for each of the three years ended 31 December 2009 as compared to each of the previous year. The broke out of Greek debt crisis and the spread of crisis in the Euro zone imposed negative impact on the sales of the notebook sectors in the year 2010. The transaction value of the Products sold by the Group to the Wistron Group was decreased by 13.5% to approximately HK$1,956 million in 2010. Overall, during the period from 2006 to 2010, the transaction value of the Products sold by the Group to the Wistron Group showed a CAGR of approximately 29.0%[2]. The Wistron Group has been a customer of the Group since 2004, and the sales amount of the Products to Wistron Group represented approximately 19.9%, 22.5%, 30.8%, 30.3% and 27.3% of the Group's total revenue for the five years ended 31 December 2010 respectively.

The growth trend in the transaction amount of the Wistron CCT during the past five years was generally in line with the total revenue of the Group, which has been increased from approximately HK$3,558 million in 2006 to HK$7,464 million in 2009 and decreased to approximately HK$7,166 million in 2010, representing a CAGR of approximately 19.1% for the five years period between 2006 and 2010. According to the unaudited management accounts of the Group, the sales amount of the Products to Wistron Group for the nine months ended 30 September 2011 was approximately HK$1,898 million.

[2] The CAGR of 29% of transaction value of the Products sold by the Group to Wistron Group for the period from 2006 to 2010 is calculated as follows: ((1,956/707)^(1/4))-1)

Analysis on portable computer industry

According to the data from the International Data Corporation ("IDC"), an international intelligence service provider in the information technology industry, the expected annual growth rate of the shipments of worldwide portable computers (the "Portables") ranged between 15.5% and 19.6% during the period from 2011 to 2014 whereas the shipments for Portables in the Asia/Pacific (excluding Japan) region are growing much more significantly with expected annual growth rate ranging from 22.5% and 29.0% during the period from 2011 to 2014. Set out below is a table summarizing the expected shipment of Portables during the period from 2011 to 2014:

Worldwide	**2011**	**2012**	**2013**	**2014**
Portables				
Shipment units (thousands)	233,029	278,703	330,150	392,960
Growth (%)	15.5	19.6	18.5	19.0
CAGR for 2011 to 2014 (%)	19.0			

Asia/Pacific (excluding Japan)	**2011**	**2012**	**2013**	**2014**
Portables				
Shipment units (thousands)	62,464	78,928	101,092	130,414
Growth (%)	22.5	26.4	28.1	29.0
CAGR for 2011 to 2014 (%)	27.8			

Source: IDC – Market Analysis (Worldwide PC 2010-2014 Forecast Update: December 2010)

The prolonged recession may have certain impact on the consumer discretionary spending. Nevertheless, IDC expects significant growth in both consumer and commercial markets to continue beyond 2011. Despite incursions by smart phones and media tablets, PCs have a large user base and ecosystem, and continue to represent the most comprehensive and affordable computing platform. Adoption by new users in emerging regions as well as replacements in more mature markets will continue to drive double-digit growth through the end of the forecast.

As referred to the interim report of the Company for the six months ended 30 June 2011 (the "Interim Report"), the Directors expect that replacement demand for business notebook computer driven by Windows 7 will continue as its users are more willing to invest in its powerful functions, thereby helping its sales increase outpaces that of conventional notebook computers. In terms of industry trend, Intel has recently announced its invention of Ultrabook, a new class of super-thin and powerful laptop, and the establishment of a US$300 million fund to foster the development of technologies and innovation for this latest breed of mobile PC which combines superiority in portability and functionality with ultra sleek casing. With its launch in the third quarter of 2011, Ultrabook is expected to bring fresh excitement to buyers and revitalize the sluggish market of notebook computers, thereby becoming an important growth driver for the notebook computer industry as well as its related sectors such as casings. By maintaining a close cooperation with laptop manufacturers and developing more casings tailor-made for Ultrabook, the Group will capitalize on this industry trend and expand further.

The expected CAGR of the worldwide Portables market and the Asia/Pacific (excluding Japan) Portables market for the period from 2011 to 2014 would reach approximately 19.0% and 27.8% respectively. Based on the above, we expect that the Portables market will maintain a steady growth during the period from 2012 to 2014 and there will be a growing demand for Ultrabook in the coming few years.

The Compal Caps and the Wistron Caps

Basis of determining the Compal Caps

Set out below are the proposed Compal Caps under the Compal Master Sales Renewal Agreement for each of the three financial years ending 31 December 2014:

	For the year ending 31 December		
	2012	**2013**	**2014**
	HK$ million	*HK$ million*	*HK$ million*
Proposed Compal Caps	3,385	4,235	5,296

As set out in the Letter, the Compal Caps were determined by reference to the following major factors:

(i) the amount of sales of the Products by the Group to the Compal Group for each of the five years ended 31 December 2010 and the nine months ended 30 September 2011;

(ii) existing purchase orders on hand and orders under negotiation and pending confirmation from the Compal Group;

(iii) expected growth rate and the projected transaction amounts of sales of the Products by the Group to the Compal Group for the year ending 31 December 2011;

(iv) expected growth of the purchase orders from the Compal Group to the Group for the manufacturing of casings for PC tablets and aluminum alloy casings in the future; and

(v) expected business growth of the Compal Group in the coming three years after taking into consideration of the growth of worldwide notebook computer industry and additional purchase orders to the Compal Group from its customers.

In connection to the above, we have reviewed and discussed with the management on the past sales transactions between the Group and the Compal Group and the sales of the Products by the Group to the Compal Group for each of the five years ended 31 December 2010, details of which are set out in the paragraph headed "Review of past Compal CCT" above. The Directors consider that the Compal Group will continue to be a major customer of the Group and the sales orders to be placed by the Compal Group will be increasing in the next few years.

In addition, we have reviewed the annual report of Compal for the year ended 31 December 2010 and noted that it recorded audited net revenue of approximately NT$887.0 billion in 2010, representing a growth of approximately 31.3% over that of the previous year of approximately NT$675.3 billion.

We also noted from the table above that, (i) the proposed Compal Cap for the year ending 31 December 2012 represents an annual increment of approximately 45% comparing to the projected aggregated sales amount of the Products by the Group to the Compal Group for the year ending 31 December 2011 (based on the latest unaudited management accounts of the Group); and (ii) the proposed Compal Caps for the two years ending 31 December 2014 represent an annual increment of approximately 25% comparing to each of the proposed Compal Caps for the year ending 31 December 2012 and 2013 respectively. In this regard, we have reviewed the internal projection for determining the proposed Compal Caps and are given to understand that apart from the conventional plastic and magnesium alloy casings, it is expected that the Compal Group will place more orders to the Group for the manufacturing of casings for PC tablets and aluminum alloy casings in the future in view of the growing potential of PC tablets and notebooks with aluminum casing. According to the published press release on the website of iSuppli Corporation, a market research firm focusing on the electronics products (www.isuppli.com), the PC type tablet shipments are expected to grow from 2.3 million in 2010 to more than 39.3 million units in 2015. Ultrabooks will represent 43% of global network PC shipments in 2015, up from 2% in 2011 and 13% in 2012. Following their first year of shipments in 2011, Ultrabooks penetration of the notebook market will increase rapidly, climbing to 28% in 2013 and then to 38% in 2014. As discussed with the management of the Company, we note that there is a growing trend for the Ultrabooks (super-thin, super-light, high-performance notebooks) to be made up of aluminum alloy casings, which are lighter in weight. In view of the above, we consider that the growing potential of the PC Tablets and Ultrabooks with aluminum casings is reasonable. As such, the Directors expect that the total sales orders to be placed by the Compal Group will be increasing in the next few years.

Moreover, we were advised by the management of the Company that the recent macro-economic environment has been taken into account when setting the underlying bases and assumptions of the projection.

Based on our discussion with the management of the Company, we understood that the current volatile market situation and the economic condition had been taken into consideration in determining the Annual Caps. The Compal Cap for the year ending 31 December 2012 was adjusted to the level below the annual cap for the year ending 31 December 2011 of HK$4,400 million and the Compal Caps are determined with reference to the expected growth rate and the projected transaction amounts of Compal CCT for the year ending 31 December 2011, which are principally based on the actual historical sales transactions and confirmed purchase orders for the period from November to December 2011.

In view of the recurring nature of the Compal CCT (the terms of which will be governed by the Compal Master Sales Renewal Agreement) and taking into account that, (i) the CAGR of Compal CCT is approximately 49.9% for the five years ended 31 December 2010; (ii) the Compal Group has been and will continue to be a major customer of the Group; (iii) the analysis on worldwide and Asia Pacific (excluding Japan) Portables industry as referred to above; and (iv) the expected increase in the demand of the Products by the Compal Group after taking into consideration the current market conditions and future development of Compal Group, we consider the proposed Compal Caps are fair and reasonable in so far as the Independent Shareholders are concerned.

Basis of determining the Wistron Caps

Set out below are the proposed Wistron Caps under the Wistron Master Sales Renewal Agreement for each of the three financial years ending 31 December 2014:

	For the year ending 31 December		
	2012	**2013**	**2014**
	HK$ million	*HK$ million*	*HK$ million*
Proposed Wistron Caps	3,455	4,321	5,405

As set out in the Letter, the Wistron Caps were determined by the Company after taking account of the following major factors:

(i) the amount of sales of the Products by the Group to the Wistron Group for each of the five years ended 31 December 2010 and the nine months ended 30 September 2011;

(ii) existing purchase orders on hand and orders under negotiation and pending confirmation from the Wistron Group;

(iii) expected growth rate and the projected transaction amounts of sales of the Products by the Group to the Wistron Group for the year ending 31 December 2011; and

(iv) expected business growth of the Wistron Group in the coming three years after taking into consideration of the growth of worldwide notebook computer industry and additional purchase orders to the Wistron Group from its customers.

In connection to the above, we have reviewed and discussed with the management on the past Wistron CCT for each of the five years ended 31 December 2010, details of which are set out in the paragraph headed "Review of past Wistron CCT" above. The Directors consider that the Wistron Group will continue to be a major customer of the Group in the next few years. In addition, we have reviewed the annual report of Wistron for the year ended 31 December 2010 and noted that it recorded audited net revenue of approximately NT$615.2 billion in 2010, representing a growth of 12.5% over that of the previous year of NT$546.7 billion.

Moreover, as set out in the Letter, as those Products sold by the Group to Wistron Group are principally parts and components of notebook computer casings which are manufactured by using the metallic stamping mounds and plastic injection mounds solely owned by the Group, the Wistron Group can only purchase such designated parts and components of these notebook computer casings from the Group.

We also noted that, (i) the proposed Wistron Cap for the year ending 31 December 2012 represents an annual increment of approximately 25% comparing to the projected transaction amount for the year ended 31 December 2011 (based on the latest unaudited management account of the Group); and (ii) the proposed Wistron Caps for the two years ending 31 December 2014 represent an annual increment of approximately 25% comparing to each of the proposed Wistron Caps for the year ending 31 December 2012 and 2013 respectively. In assessing the fairness and reasonableness of the proposed Wistron Cap amount for the year ending 31 December 2012, we have reviewed (i) the confirmed purchase orders placed by Wistron Group to the Group for the period from November to December 2011; and (ii) the latest transaction amounts for the 10 months ended 31 October 2011 of the Products sold by the Group to the Wistron Group. We have also reviewed the internal projection for determining the proposed Wistron Caps and are given to understand that management of the Company has taken into account the recent macro-economic environment when setting the underlying bases and assumptions of the projection.

Based on our discussion with the management of the Company, we understood that the current volatile market situation and the economic condition had been taken into consideration in determining the Annual Caps. The Wistron Cap for the year ending 31 December 2012 was adjusted to the level below the annual cap for the year ending 31 December 2011 of HK$4,150 million and the

Wistron Caps are determined with reference to the expected growth rate and the projected transaction amounts of Wistron CCT for the year ending 31 December 2011, which are principally based on the actual historical sales transactions and confirmed purchase orders for the period from November to December 2011.

In view of the recurring nature of the Wistron CCT (the terms of which will be governed by the Wistron Master Sales Renewal Agreement) and taking into account that, (i) the CAGR of Wistron CCT is approximately 29.0% for the five years ended 31 December 2010; (ii) the Wistron Group has been and will continue to be a major customer of the Group; (iii) the analysis on worldwide and Asia Pacific (excluding Japan) Portables industry as set out in the above paragraph; and (iv) the expected increase in the demand of the Products by the Wistron Group after taking into consideration the current market conditions and future development of Wistron Group, we consider the proposed Wistron Caps are fair and reasonable in so far as the Independent Shareholders are concerned.

In assessing the above Annual Caps, we have reviewed (i) the confirmed purchase orders placed by Wistron Group and Compal Group to the Group for the period from November to December 2011; and (ii) the latest sales amounts of the Group for the 10 months ended 31 October 2011, and noted that the projected total sales of the Group for the year ending 31 December 2011 show a growth which is in line with the growth trend of the shipments for Portables as shown by the data from the IDC. We consider the data shown in the tables as extracted from the report of IDC are objective source under the current market sentiment. In addition, as mentioned above, the current market situation and the economic condition have been taken into account by the Directors who considered that even though the U.S. and Japanese economy remained weak while the European sovereign debt crisis was deepening, the notebook computer sales in emerging markets such as China and India would remain robust, alleviating the impact of the relatively poor sales in the U.S., Europe and Japan.

As the CAGR can show the smoothed annualized growth rate of the transaction amounts over a given time period, it can dampen the effect of volatility on yearly returns. The annual growth rates for the past Compal CCT during the period from 2006 to 2010 fluctuated over a wide range from approximately 2.4% to 235.1% and that for the past Wistron CCT during the period from 2006 to 2010 fluctuated over a wide range from approximately -13.5% to 88.0%. Compared with CAGR of approximately 49.9% and 29.0% respectively, the average growth rate of the past Compal CCT during the period from 2006 to 2010 is approximately 71% and that of the past Wistron CCT during the period from 2006 to 2010 is approximately 35.9%. Each of the CAGR of the proposed Compal Caps and the proposed Wistron Caps for the period from 2012 to 2014 is approximately 25% which is equal to the annual increment of 25%. Accordingly, we consider that the CAGR, which can show the smoothed annualized growth rate of the transaction amounts and dampen the effect of high volatility, is a more appropriate benchmark for assessing the fairness and reasonableness of the growth rate of the proposed cap amounts.

Periodical review of the Compal CCT and Wistron CCT

The Directors confirm that the continuing connected transactions contemplated under the Compal Master Sales Renewal Agreement and the Wistron Master Sales Renewal Agreement will continue to be subject to compliance conditions required under the Listing Rules including, inter alia, that the independent non-executive Directors shall review annually and confirm in the Company's next and successive annual reports that the Continuing Connected Transactions are in compliance with the relevant governing conditions. The auditors of the Company shall also review the transactions annually during the relevant tenure and provide the Board with a letter in respect of each relevant financial year during which the transactions were conducted and confirm that they are in compliance with certain governing conditions. We are of the view that the aforesaid conditions would ensure that appropriate measures will be taken by the Company to govern itself in conducting the transactions, thereby, safeguarding the interests of the Independent Shareholders.

OPINION

Having taking into account the above principal factors and reasons, we consider that (i) the terms of the Continuing Connected Transactions (including the proposed Annual Caps) are fair and reasonable; and (ii) the Continuing Connected Transactions are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Continuing Connected Transactions (together with the proposed Annual Caps).

Yours faithfully,
for and on behalf of
OPTIMA CAPITAL LIMITED
Benny Ng
Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS BY DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, the interests of Directors and chief executive of the Company in the Shares, underlying Shares (within the meaning of Part XV of the SFO) or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would be required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executives of the Company is taken or deemed to have under such provisions of the SFO); (ii) entered into the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(I) Interests in Shares

Name of Director	**Nature of interest**	**Number and class of Shares held** *(Note 1)*	**Approximate percentage of shareholding**
Mr. Cheng Li-Yu	Founder of a discretionary trust *(Note 2)*	289,420,986 (L) Shares	25.84%
	Beneficial owner	24,702,000 (L) Shares	2.21%
	Interest of spouse *(Note 3)*	10,518,046 (L) Shares	0.94%
Mr. Cheng Li-Yen	Beneficiary of a trust *(Note 2)*	289,420,986 (L) Shares	25.84%
Mr. Huang Kuo-Kuang	Beneficial owner	4,423,866 (L) Shares	0.39%
	Interest of spouse *(Note 4)*	2,950,631 (L) Shares	0.26%

Name of Director	Nature of interest	Number and class of Shares held *(Note 1)*	Approximate percentage of shareholding
Mr. Hsieh Wan-Fu	Beneficial owner	2,354,432(L) Shares	0.21%
Mr. Lo Jung-Te	Beneficial owner	6,265,942 (L) Shares	0.56%
Mr. Tsui Yung Kwok	Beneficial owner	3,464,000 (L) Shares	0.31%

Notes:

1. The letter "L" denotes a long position in the Shares.

2. The Shares were registered in the name of Southern Asia Management Limited, which was wholly owned by Shine Century Assets Corp., the entire issued share capital of which was beneficially owned by the Cheng Family Trust which was founded by Mr. Cheng Li-Yu. The beneficiaries of the Cheng Family Trust include, among others, Mr. Cheng Li-Yen and Mr. Cheng Li-Yu. Mr. Cheng Li-Yen and Mr. Cheng Li-Yu were deemed to be interested in all the Shares in which Shine Century Assets Corp. was interested by virtue of the SFO.

3. Mr. Cheng Li-Yu is the husband of Ms. Lin Mei-Li and he was deemed to be interested in all the Shares in which Ms. Lin Mei-Li was interested by virtue of the SFO.

4. Mr. Huang Kuo-Kuang is the husband of Ms. Wang Shu-Hui and he was deemed to be interested in all the Shares in which Ms. Wang Shu-Hui was interested by virtue of the SFO.

(II) Interests in underlying Shares

Name of Director	Nature of interest	Number of underlying Shares *(Note 1)*	Exercise period	Exercise price per Share	Approximate percentage of Shareholding
Mr. Cheng Li-Yen	Beneficial owner	2,194,000(L) *(Note 2)*	N/A	N/A	0.20%
Mr. Cherng Chia-Jiun	Beneficial owner	35,000(L) *(Note 5)*	7 November 2012 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000(L) *(Note 5)*	7 November 2013 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000(L) *(Note 5)*	7 November 2014 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000(L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000(L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000(L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.00% *(Note 6)*

Name of Director	Nature of interest	Number of underlying Shares *(Note 1)*	Exercise period	Exercise price per Share	Approximate percentage of Shareholding
Mr. Huang Kuo-Kuang	Beneficial owner	1,000,000(L) *(Note 3)*	7 November 2011 to 6 November 2016	HK$1.56	0.08% *(Note 6)*
	Beneficial owner	252,000(L) *(Note 4)*	7 November 2012 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	252,000(L) *(Note 4)*	7 November 2013 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	252,000(L) *(Note 4)*	7 November 2014 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
Mr. Hsieh Wan-Fu	Beneficial owner	500,000(L) *(Note 3)*	7 November 2011 to 6 November 2016	HK$1.56	0.04% *(Note 6)*
	Beneficial owner	554,000(L) *(Note 4)*	7 November 2012 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	554,000(L) *(Note 4)*	7 November 2013 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	554,000(L) *(Note 4)*	7 November 2014 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000(L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
Mr. Lo Jung-Te	Beneficial owner	500,000 (L) *(Note 3)*	7 November 2011 to 6 November 2016	HK$1.56	0.04% *(Note 6)*
	Beneficial owner	554,000 (L) *(Note 4)*	7 November 2012 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	554,000 (L) *(Note 4)*	7 November 2013 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	554,000 (L) *(Note 4)*	7 November 2014 to 23 April 2018	HK$2.75	0.04% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.02% *(Note 6)*

Name of Director	Nature of interest	Number of underlying Shares *(Note 1)*	Exercise period	Exercise price per Share	Approximate percentage of Shareholding
Mr. Tsai Wen-Yu	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2012 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2013 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2014 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
Mr. Tsui Yung Kwok	Beneficial owner	1,334 (L) *(Note 3)*	7 November 2010 to 6 November 2016	HK$1.56	0.00% *(Note 6)*
	Beneficial owner	332,666 (L) *(Note 3)*	7 November 2011 to 6 November 2016	HK$1.56	0.03% *(Note 6)*
	Beneficial owner	252,000 (L) *(Note 4)*	7 November 2012 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	252,000 (L) *(Note 4)*	7 November 2013 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	252,000 (L) *(Note 4)*	7 November 2014 to 23 April 2018	HK$2.75	0.02% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
	Beneficial owner	250,000 (L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.02% *(Note 6)*
Mr. Yip Wai Ming	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2012 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2013 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2014 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2015 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2016 to 13 July 2019	HK$2.62	0.00% *(Note 6)*
	Beneficial owner	35,000 (L) *(Note 5)*	7 November 2017 to 13 July 2019	HK$2.62	0.00% *(Note 6)*

Notes:

1. The letter "L" denotes a long position in the underlying Shares.

2. The long position in the underlying Shares comprised 2,194,000 units of Taiwan depositary receipts on the Taiwan Stock Exchange Corporation, representing 2,194,000 Shares of the Company.

3. The long position in the underlying Shares comprised 1,000,000, 500,000, 500,000 and 334,000 options granted to Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te and Mr. Tsui Yung Kwok respectively by the Company on 7 November 2006 under the Share Option Scheme of the Company and such share options remained outstanding as at the Latest Practicable Date.

4. The long position in the underlying Shares comprised 756,000, 1,662,000, 1,662,000 and 756,000 options granted to Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te and Mr. Tsui Yung Kwok respectively by the Company on 24 April 2008 under the Share Option Scheme and such share options remained outstanding as at the Latest Practicable Date.

5. The long position in the underlying Shares comprised 210,000, 750,000, 750,000, 750,000, 210,000, 750,000 and 210,000 options granted to Mr. Cherng Chia-Jiun, Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te, Mr. Tsai Wen-Yu, Mr. Tsui Yung Kwok and Mr. Yip Wai Ming respectively by the Company on 3 May 2011 under the Share Option Scheme and such share options remained outstanding as at the Latest Practicable Date.

6. This percentage was calculated on the basis of 1,260,994,000 Shares in issue immediately following the exercise in full of all the options granted under the Share Option Scheme at the same time and assuming that there would be no change in the total issued share capital of the Company other than as enlarged by the exercise of these options prior to the exercise in full of these options.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest or short position in the Shares, underlying Shares (within the meaning of Part XV of the SFO) or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which a director or chief executive of the Company is taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of any such capital:

Name of shareholder	Capacity and nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of shareholding
AII Holding Corporation	Beneficial owner	9,699,950 ordinary shares of US$1 each of Gold Connection Limited	29.00%
AllianceBernstein L.P.	Investment manager	68,305,000 (L) Shares	6.10%
	Interest of a controlled corporation *(Note 4)*	180,000 (L) Shares	0.02%
East Asia International Trustees Limited *(Note 2)*	Trustee (other than a bare trustee)	289,420,986 (L) Shares	25.84%
Flight Global Holding Inc.	Beneficial owner	95,862,104 ordinary shares of US$1 each of Wah Yuen Technology Holding Limited	36.62%
Ms. Lin Mei-Li *(Note 3)*	Beneficial owner	10,518,046 (L) Shares	0.94%
	Interest of spouse	314,122,986 (L) Shares	28.05%
Shine Century Assets Corp. *(Note 2)*	Interest of a controlled corporation	289,420,986 (L) Shares	25.84%
Southern Asia Management Limited *(Note 2)*	Beneficial owner	289,420,986 (L) Shares	25.84%
Win Smart Co., Ltd.	Beneficial owner	21,692,290 ordinary shares of US$1 each of Mindforce Holdings Limited	29.00%

Notes:

1. The letter "L" denotes a long position in the Share.

2. The Shares were held by Southern Asia Management Limited, which was wholly owned by Shine Century Assets Corp. The entire issued share capital of Shine Century Assets Corp. was owned by the Cheng Family Trust, the trustee of which was East Asia International Trustees Limited. Shine Century Assets Corp. was deemed to be interested in all the Shares in which Southern Asia Management Limited is interested by virtue of the SFO. East Asia International Trustees Limited was deemed to be interested in all the Shares in which Shine Century Assets Corp. was interested by virtue of the SFO. The Shares registered in the name of Southern Asia Management Limited was also disclosed as the interest of Mr. Cheng Li-Yu and Mr. Cheng Li-Yen in the section headed "Disclosure of interests by Directors and chief executive" above.

3. Ms. Lin Mei-Li is the wife of Mr. Cheng Li-Yu and she was deemed to be interested in all the Shares in which Mr. Cheng Li-Yu was interested by virtue of the SFO.

4. AllianceBernstein L.P. was interested in these Shares through its 100% control in AllianceBernstein Corporation of Delaware. AllianceBernstein L.P. was deemed to be interested in all the Shares in which AllianceBernstein Corporation of Delaware was interested by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date and so far as is known to any Director or chief executive of the Company, no other person, other than a Director or chief executive of the Company, had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and no other persons (other than a Director or chief executive of the Company) were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of any such capital.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors and his/her respective associate(s) was interested in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

5. ADDITIONAL DISCLOSURE OF INTERESTS

As at the Latest Practicable Date:

(a) none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group;

(b) none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which will not expire or is not determinable by the relevant member of the Group within one year without payment of compensation, other than statutory compensation; and

(c) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2010 (the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by, or leased to, any member of the Group, or was proposed to be acquired or disposed of by, or leased to, any member of the Group.

6. MATERIAL ADVERSE CHANGE

The Board is not aware of any material adverse change in the financial or trading position of the Group since 31 December 2010, the date to which the latest published audited financial statements of the Group were made up.

7. QUALIFICATION AND CONSENT OF EXPERT

Optima Capital is a corporation licensed to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders regarding the Continuing Connected Transactions.

Optima Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name and its letter in the form and context in which they respectively appear.

As at the Latest Practicable Date, Optima Capital did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group.

As at the Latest Practicable Date, Optima Capital did not have any interest, direct or indirect, in any assets which since 31 December 2010, the date to which the latest published audited financial statements of the Company were made up, had been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the offices of the Company in Hong Kong at Suites 3311-3312, Jardine House, 1 Connaught Place, Central, Hong Kong during normal business hours from the date of this circular up to and including 30 December 2011 and at the EGM:

(a) the Existing Compal Master Sales Agreement;

(b) the Existing Wistron Master Sales Agreement;

(c) the Compal Master Sales Renewal Agreement; and

(d) the Wistron Master Sales Renewal Agreement.

9. MISCELLANEOUS

The English text of this circular will prevail over the Chinese text.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Ju Teng International Holdings Limited ("**Company**") will be held at Pacific Room, 2/F, Island Pacific Hotel, 152 Connaught Road West, Hong Kong on 30 December 2011 at 3 p.m. to consider, if thought fit, transact the following resolutions as ordinary resolutions of the Company:

1. "**THAT** the master sales agreement ("**Compal Master Sales Renewal Agreement**") dated 15 November 2011 (which shall become effective on 1 January 2012) (a copy of which has been produced to the meeting marked "A" and signed by the chairman of the meeting for the purpose of identification) and entered into between Giant Glory International Limited (for itself and on behalf of other group members of the Company) and Compal Electronics, Inc. ("**Compal**") and three of its subsidiaries (for themselves and on behalf of other group members of Compal), the transactions contemplated thereby and the expected annual caps of HK$3,385 million, HK$4,235 million and HK$5,296 million for each of the three years ending 31 December 2014, respectively, be and are hereby approved and that the directors of the Company be and are hereby authorised to take any action and sign any document (under seal, if necessary) as they consider necessary, desirable or expedient in connection with the Compal Master Sales Renewal Agreement or the transactions contemplated thereby."

2. "**THAT** the master sales agreement ("**Wistron Master Sales Renewal Agreement**") dated 31 October 2011 (which shall become effective on 1 January 2012) (a copy of which has been produced to the meeting marked "B" and signed by the chairman of the meeting for the purpose of identification) and entered into between Giant Glory International Limited (for itself and on behalf of other group members of the Company) and Wistron Corporation ("**Wistron**") (for itself and on behalf of other members of Wistron), the transactions contemplated thereby and the expected annual caps of HK$3,455 million, HK$4,321 million and HK$5,405 million for each of the three years ending 31 December 2014, respectively, be and are hereby approved and that the directors of the Company be and are hereby authorised to take any action and sign any document (under seal, if necessary) as they consider necessary, desirable or expedient in connection with the Wistron Master Sales Renewal Agreement or the transactions contemplated thereby."

3. "**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 6 October 2005 ("**Share Option Scheme**"), representing 10% of the issued share capital of the Company as at the date on which this resolution is passed, pursuant to clause 8.2 of the Share Option Scheme:

   (a) approval be and is hereby granted for refreshing the 10% mandate under the Share Option Scheme ("**Refreshed Scheme Mandate**") provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group under the limit as refreshed hereby shall not exceed 10% of the total number of issued shares of the Company as at the date on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Group (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

   (b) the directors of the Company or a duly authorised committee thereof be and they are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate."

By order of the Board of
Ju Teng International Holdings Limited
Tsui Yung Kwok
Company Secretary

Hong Kong, 13 December 2011

Head office and principal place of business in Hong Kong:
Suites 3311-3312
Jardine House
1 Connaught Place
Central
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting above is entitled to appoint in written form one or, if he is the holder of two or more shares ("**Shares**") of the Company, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.

2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof.

3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised, and must be deposited with the Hong Kong branch share registrar and transfer office ("**Branch Registrar**") of the Company, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding of the meeting or any adjournment thereof.

4. For the purpose of determining members who are qualified for attending the above meeting, the register of members of the Company will be closed from 29 December 2011 to 30 December 2011 (both days inclusive), during which period no transfer of the Shares will be effected. In order to qualify for attending the above meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Registrar at the above address by no later than 4:30 p.m. on 28 December 2011.

5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

As at the date of this notice, the Board comprises six executive Directors, namely 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 three independent non-executive Directors, namely Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming.