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巨騰國際控股有限公司

JU TENG INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3336)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND USE RIGHT IN VIETNAM**

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On 30 December 2021, the Company, for and on behalf of Excel Smart, entered into the Investment Agreement with the People's Committee of Nghe An Province and HTDC in respect of the acquisition of land use right of the Land located in Nghe An Province, Vietnam for a term of 50 years at the total consideration of USD43,224,000 (excluding value-added tax), equivalent to approximately VND999,987,240,000 or HK\$337,018,000.

LISTING RULES IMPLICATIONS

As the highest relevant percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the Investment Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Investment Agreement constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

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MAJOR TERMS OF THE INVESTMENT AGREEMENT

Date

30 December 2021

Parties

- (i) HTDC, as the transferor;
- (ii) the Company, as the holding company of Excel Smart; and
- (iii) the People's Committee of Nghe An Province.

Subject matter

The Land is a parcel of developed industrial land with a site area of approximately 120 hectares (including 90 hectares for industrial land and 30 hectares for labor dormitory and the construction for social, cultural, sports, etc.) located in Nghe An Province, Vietnam.

Consideration and payment terms

The consideration of USD43,224,000 (equivalent to approximately VND999,987,240,000 or HK\$337,018,000) comprises the land rent of USD8,424,000 (equivalent to approximately VND194,889,240,000 or HK\$65,682,000) and the infrastructure usage fee of USD34,800,000 (equivalent to approximately VND805,098,000,000 or HK\$271,336,000). The land rent was calculated based on the price of USD9.36/m² (equivalent to VND216,544/m²) which was stipulated by the land use right certificate issued by the People's Committee of Nghe An Province less the applicable land rent concession under the applicable Vietnamese laws. The infrastructure usage fee was calculated based on the price of USD29/m² (equivalent to VND670,915/m²) which was arrived at after arms' length negotiation between HTDC and the Company with reference to the market price.

The consideration quoted in the Investment Agreement was negotiated in USD and converted into VND at the rate of VND23,135 = USD\$1. The consideration payable by the Group will be in VND calculated based on the average exchange rate of USD to VND quoted by the Joint Stock Commercial Bank for Investment and Development of Vietnam for the five days immediately before the actual payment dates. The total consideration payable by the Group may be adjusted according to the actual area of the Land as stated in the land use right certificate to be issued by the relevant government authority.

The Group shall pay the total consideration in five instalments upon the signing of the Transfer Agreement with HTDC and completion of the infrastructure construction by HTDC as follows:

- (1) 10% of the total consideration (in the amount of USD4,322,400, equivalent to approximately VND99,998,724,000 or HK\$33,702,000) shall be payable as deposit within 20 days after the infrastructure constructed by HTDC has passed the inspection by the Group. The deposit is refundable within 10 days from the date of written notice served on HTDC during the period of 90 days from the date of the Transfer Agreement, or any such period agreed by the parties in writing, should the People's Committee of Nghe An Province or other relevant government authority decline to issue the investment permit to the Company or the business licence to the Project Company;
- (2) 30% of the total consideration (in the amount of USD12,967,200, equivalent to approximately VND299,996,172,000 or HK\$101,105,000) shall be payable within 20 business days after obtaining of investment permit by the Company and business licence by the Project Company and the signing of the Transfer Agreement;
- (3) 30% of the total consideration (in the amount of USD12,967,200, equivalent to approximately VND299,996,172,000 or HK\$101,105,000) shall be payable within 20 working days after the completion of construction of the road leading to the industrial zone and the transfer of the Land to the Company;
- (4) 25% of the total consideration (in the amount of USD10,806,000, equivalent to approximately VND249,996,810,000 or HK\$84,255,000) shall be payable within 20 days after the land use right certificate and value-added tax receipt has been delivered to the Company (which shall be delivered within 90 business days after the payment of the third instalment of the consideration); and
- (5) 5% of the total consideration (in the amount of USD2,161,200, equivalent to approximately VND49,999,362,000 or HK\$16,851,000) shall be payable within 20 days after the obtaining the relevant international certification (including ISO 9000 and ISO 45001) for the Land by HTDC under the international management system.

The consideration will be financed by the internal resources of the Group.

Other principal terms of the Investment Agreement

The People's Committee of Nghe An Province shall guide the Company in the investment project in Vietnam and shall assist the Company in completing the relevant registration procedures and obtaining the relevant certificates and licences, and shall use its own resources to ensure the Land has sufficient transportation access, utilities supply, security, etc.

The Project Company shall enter into the Transfer Agreement with HTDC for the acquisition of land use right in the Land on the terms and conditions set out in the Investment Agreement after (i) the obtaining of investment permit by the Company and business licence by the Project Company; and (ii) within 20 business days after the completion of certain infrastructure construction to the satisfaction of the Group by no later than 31 January 2022.

The land use right shall be for a term of 50 years from the date of delivery of the Land to the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE INVESTMENT AGREEMENT

Due to the strong global market demand for electronic products and the relatively low cost of production in Vietnam, the Company has strategically identified Vietnam as the place to construct and operate a factory on the Land for production of electronic product parts and auto parts. With the support of the People's Committee of Nghe An Province, the Board considers that the entering into the Investment Agreement is beneficial to the future growth of the scale of production of the Group.

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

INFORMATION ON THE GROUP AND THE PARTIES

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

HTDC is principally engaged in real estate activities and its ultimate beneficial owner is Hoang Van Duong* (黃文陽), who is interested in approximately 77.96% of the equity interest of HTDC.

The People's Committee of Nghe An Province (藝安省人民委員會) is a governmental authority in Vietnam.

The Directors confirmed that, to the best of their knowledge, information and belief having made all reasonable enquiries, the parties to the Investment Agreement and their respective ultimate beneficial owners are third parties independent of the Group and its connected persons.

LISTING RULES IMPLICATIONS

As the highest relevant percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the Investment Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Investment Agreement constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Investment Agreement”	the agreement dated 30 December 2021 entered into by the Company, HTDC and the People’s Committee of Nghe An Province in relation to the acquisition of land use right of the Land
“Board”	the board of Directors
“Company”	Ju Teng International Holdings Limited, a company incorporated under the law of the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Excel Smart”	Excel Smart Global Limited, an indirect non-wholly owned subsidiary owned as to approximately 71.5% by the Company incorporated under the laws of Samoa
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HTDC”	Hoang Thinh Dat Corporation* (黃盛達股份公司), a company incorporated under the law of Vietnam
“Land”	a parcel of developed industrial land located in Hoang Mai Industrial Zone I, Hoang Mai Town, Nghe An Province, Vietnam* (越南藝安省黃梅市黃梅一號工業區) with a site area of approximately 120 hectares, which is the land to which the land use right under the Investment Agreement relates and where the infrastructure is located
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Project Company”	a wholly foreign-owned enterprise to be established by Excel Smart in Vietnam for acquiring the land use right in the Land and operating the production facilities to be constructed on the Land
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer Agreement”	the agreement to be entered into between the Project Company and HTDC in relation to the acquisition of land use right on the terms and conditions set out in the Investment Agreement
“USD”	United States dollars, the lawful currency of the United States of America
“Vietnam”	the Socialist Republic of Vietnam
“VND”	Vietnamese dong, the lawful currency of Vietnam
“%”	per cent

In this announcement, amounts quoted in USD have been converted into HK\$ at the rate of HK\$7.797 = USD1. Such exchange rate has been used, where applicable, for purpose of illustration only and does not constitute representation that any amounts were or may have been exchanged at such rate or any other rates.

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

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

Hong Kong, 30 December 2021

As at the date of this announcement, the executive Directors are Mr. Cheng Li-Yu, Mr. Chiu Hui-chin, Mr. Huang Kuo-Kuang, Mr. Lin Feng-Chieh and Mr. Tsui Yung Kwok, and the independent non-executive Directors are Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming.