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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

(1) AMENDMENT TO THE TERMS OF TRANSFER AGREEMENT IN RELATION TO THE ACQUISITION OF LAND USE RIGHT IN VIETNAM AND (2) PAYMENT OF INFRASTRUCTURE USAGE FEE COMPENSATION

Reference is made to the announcements of Ju Teng International Holdings Limited dated 30 December 2021, 26 January 2022, 24 June 2022 (the “**Announcement**”), 25 September 2023 and 3 November 2023 in respect of the Transfer Agreement for the acquisition of land use rights in relation to the Land. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

(1) AMENDMENT TO THE TERMS OF TRANSFER AGREEMENT IN RELATION TO THE ACQUISITION OF LAND USE RIGHT IN VIETNAM

THE SUPPLEMENTAL AGREEMENT

The Board wishes to announce that on 10 November 2023, Ju Teng Vietnam, an indirect, non-wholly-owned subsidiary of the Company, and HTDC entered into the Supplemental Agreement to the Transfer Agreement to return the Returned Lots and revise the relevant terms of the Transfer Agreement accordingly.

The major amendments of the Supplemental Agreement are set out as follows:

1. The site area of the Reduced Land shall be approximately 107.35 hectares (of which approximately 86.30 hectares shall be industrial land and approximately 21.05 hectares shall be for labor dormitory and the construction for social, cultural, sports functions etc.);

2. Land rent of approximately USD40,000 (equivalent to approximately VND925,400,000 or approximately HK\$312,000) per year is payable by the Group from the date of the Transfer Agreement up to 15 July 2026, after which the land rent shall be determined by the People's Committee of Nghe An Province. The total land rent payable by the Group over the term of the Transfer Agreement shall not exceed the total amount of approximately USD8,077,000 (equivalent to approximately VND186,861,395,000 or approximately HK\$63,057,000). Infrastructure usage fee in the aggregate amount of approximately USD31,132,000 (equivalent to approximately VND720,238,820,000 or approximately HK\$243,047,000) is payable by the Group, which is quoted in the Supplemental Agreement in USD and converted into VND at the rate of VND23,135 = USD1. The infrastructure usage fee shall be 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;
3. The land rent in respect of the Reduced Land shall be paid yearly, with the land rent for the second half year of 2023 to be paid by the Group within 20 business days after the obtaining of the land use right certificate in the name of Ju Teng Vietnam and thereafter land rent shall be paid on 25 January (or the next business day if 25 January is a public holiday) each year;
4. The following adjustments shall be made to the below instalments payable by the Group:
 - (1) With respect to the third instalment: 30% of the total infrastructure usage fee (in the amount of approximately USD9,340,000, equivalent to approximately VND216,080,900,000 or approximately HK\$72,917,000) shall be payable within 20 business days after the completion of construction of the road leading to the industrial zone and the transfer of the Reduced Land to Ju Teng Vietnam (subject to adjustments as detailed below);
 - (2) With respect to the fourth instalment: 25% of the total infrastructure usage fee (in the amount of approximately USD7,783,000, equivalent to approximately VND180,059,705,000 or approximately HK\$60,762,000) shall be payable within 20 business days after the land use right certificate and value-added tax receipt have been delivered to Ju Teng Vietnam (which shall be delivered within 90 business days after the payment of the third instalment of the infrastructure usage fee); and
 - (3) With respect to the fifth instalment: 5% of the total infrastructure usage fee (in the amount of approximately USD1,556,000, equivalent to approximately VND35,998,060,000 or approximately HK\$12,148,000) shall be payable within 20 business days after the relevant international certification (including ISO 9000 and ISO 45001) for the Reduced Land under the international management system have been obtained by HTDC and the value-added tax receipt has been delivered to Ju Teng Vietnam;

5. In light of the smaller site area of the Reduced Land, the infrastructure usage fee (which is proportionate to the site area) payable by the Group, shall be reduced. An overpayment of infrastructure usage fee made in respect of the first and second instalments of approximately USD1,467,000, equivalent to approximately VND33,939,045,000 or approximately HK\$11,453,000 shall be deducted from the third instalment to be paid by the Group under paragraph 4(1) above.

Save as disclosed above, the terms of the Transfer Agreement remain unchanged, and the Transfer Agreement and the Supplemental Agreement shall be read and construed as one document.

(2) INFRASTRUCTURE USAGE FEE COMPENSATION

On 10 November 2023, Ju Teng Vietnam and HTDC entered into the Infrastructure Usage Fee Compensation Agreement, pursuant to which the Infrastructure Usage Fee Compensation, being a sum of approximately USD813,000 (equivalent to approximately VND18,808,755,000 or approximately HK\$6,347,000) representing a portion of the infrastructure usage fee income to be received by HTDC from re-leasing the Leased Lots to the New User(s), would be paid to Ju Teng Vietnam.

The sum of the Infrastructure Usage Fee Compensation is calculated based on a flat rate of USD9/m² (equivalent to approximately VND208,000 or approximately HK\$70) payable by New User(s) as part of the infrastructure usage fee multiplied by the site area of the Leased Lots. HTDC shall be liable to pay the Infrastructure Usage Fee Compensation regardless of whether the Leased Lots have been re-leased to the New User(s).

The Infrastructure Usage Fee Compensation was negotiated in USD but shall be paid in VND, and the exchange rate shall be 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 date.

The Infrastructure Usage Fee Compensation shall be payable by HTDC within 10 business days from the receipt by HTDC of the third instalment to be paid by the Group under the Supplemental Agreement and the delivery of the relevant value-added tax receipt by Ju Teng Vietnam.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT AND THE INFRASTRUCTURE USAGE FEE COMPENSATION AGREEMENT

Ju Teng Vietnam has entered into the Supplemental Agreement in response to needs of local land-planning requirements and the investment promotion plans for industrial zones of the local government. As a means to recompense Ju Teng Vietnam for the inconvenience caused by returning the Returned Lots, among others, HTDC has agreed to compensate Ju Teng Vietnam with certain of the infrastructure usage fee it would receive from re-leasing the Returned Lots.

The Directors (including the independent non-executive Directors) are of the opinion that (1) the amendments to the Transfer Agreement pursuant to the Supplemental Agreement will not have any material adverse effect on the current business operations and prospects of the Group; (2) the Group is fairly compensated under the Infrastructure Usage Fee Compensation Agreement for the return of the Returned Lots; and (3) the terms of the Transfer Agreement (as supplemented by the Supplemental Agreement) and Infrastructure Usage Fee Compensation Agreement are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INFORMATION ON THE PARTIES TO THE SUPPLEMENTAL AGREEMENT AND INFRASTRUCTURE USAGE FEE COMPENSATION AGREEMENT

The Company is an investment holding company and 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 Hoàng Văn Dũng, who is interested in approximately 77.96% of the equity interest of HTDC.

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

LISTING RULE IMPLICATIONS

As a result of the Supplemental Agreement, the value of the right-of-use asset recognized by the Company in relation to the Reduced Land is approximately USD31,716,000, equivalent to approximately VND733,749,660,000 or approximately HK\$247,607,000.

As the highest relevant percentage ratio as defined under Rule 14.07 of the Listing Rules in respect of the Transfer Agreement (as supplemented by the Supplemental Agreement), and taking into account the Infrastructure Usage Fee Compensation calculated based on the value of the right-of-use asset recognised by the Group according to HKFRS16 exceeds 5% but is less than 25%, the transaction contemplated under the Transfer Agreement (as supplemented by the Supplemental Agreement) and taking into account the Infrastructure Usage Fee Compensation therefore constitutes a 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:

“Infrastructure Usage Fee Compensation”	the sum payable under the Infrastructure Usage Fee Compensation Agreement by HTDC to Ju Teng Vietnam
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“Infrastructure Usage Fee Compensation Agreement”	the agreement entered into between Ju Teng Vietnam and HTDC regarding the payment of certain infrastructure usage fee to be received by HTDC to Ju Teng Vietnam for the Returned Lots
“Ju Teng Vietnam”	Ju Teng Electronic Technology (Vietnam) Limited, an indirect, non-wholly-owned subsidiary of the Company
“Leased Lots”	certain Returned Lots which shall be leased by HTDC to the New User(s)
“New User(s)”	third party(ies) who shall rent the Leased Lots from HTDC
“Reduced Land”	the site of the Land discounting the Returned Lots
“Returned Lots”	certain lots of the Land to be returned by Ju Teng Vietnam pursuant to the Supplemental Agreement
“Supplemental Agreement”	the supplemental agreement to the Transfer Agreement entered into between Ju Teng Vietnam and HTDC in relation to the return of the Returned Lots

In this announcement, amounts quoted in USD have been converted into HK\$ at the rate of HK\$7.807 = USD1.00 and into VND at the rate of VND23,135=USD1.00. 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.

By order of the Board
Ju Teng International Holdings Limited
Cheng Li-Yu
Chairman and Chief Executive Officer

Hong Kong, 10 November 2023

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, the non-executive Director is Mr. Cheng Li-Yen and the independent non-executive Directors are Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu, Mr. Yip Wai Ming and Mr. Yuen Chi Ho.