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)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

The board (the "**Board**") of directors (the "**Directors**") of Ju Teng International Holdings Limited (the "**Company**" or "**Ju Teng**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2009 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2009

	Notes	**2009** *HK$'000*	2008 *HK$'000*
REVENUE	*4*	**7,463,909**	7,249,183
Cost of sales		**(6,119,165)**	(6,036,177)
Gross profit		**1,344,744**	1,213,006
Other income and gains	*4*	**74,199**	99,210
Selling and distribution costs		**(35,748)**	(31,156)
Administrative expenses		**(369,353)**	(360,154)
Other expenses		**(31,308)**	(26,943)
Finance costs	*5*	**(48,601)**	(75,113)
PROFIT BEFORE TAX	*6*	**933,933**	818,850
Income tax expense	*7*	**(172,783)**	(130,280)
PROFIT FOR THE YEAR		**761,150**	688,570
Attributable to:			
Equity holders of the Company		**704,876**	658,295
Minority interests		**56,274**	30,275
		761,150	688,570
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*9*		
– Basic (HK cents)		**66.2**	65.8
– Diluted (HK cents)		**63.1**	64.3

Details of the dividend proposed for the year are disclosed in note 8 below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	Notes	**2009 HK$'000**	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**4,108,425**	2,280,183
Lease premium for land		**96,118**	65,219
Goodwill		**37,894**	4,846
Deposit for acquisition of minority interests		**23,287**	–
Deposit for acquisition of an investment		**–**	104,632
Prepayments for acquisition of property, plant and equipment		**38,650**	96,916
Available-for-sale investment		**55,181**	33,306
Total non-current assets		**4,359,555**	2,585,102
CURRENT ASSETS			
Inventories		**869,369**	821,866
Trade receivables	*10*	**3,255,863**	2,863,214
Factored trade receivables	*10*	**11,496**	74,205
Prepayments, deposits and other receivables		**408,314**	216,247
Derivative financial instruments		**338**	24,381
Pledged bank balances and time deposits		**8,113**	108,933
Cash and cash equivalents		**608,422**	450,508
Total current assets		**5,161,915**	4,559,354
CURRENT LIABILITIES			
Trade and bills payables	*11*	**2,089,204**	1,530,098
Other payables and accruals		**629,933**	570,584
Tax payable		**130,908**	101,685
Bank advances on factored trade receivables		**11,496**	74,205
Interest-bearing bank borrowings		**883,134**	947,328
Total current liabilities		**3,744,675**	3,223,900
NET CURRENT ASSETS		**1,417,240**	1,335,454
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,776,795**	3,920,556
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,202,103**	930,060
Deferred tax liabilities		**14,021**	9,081
Total non-current liabilities		**1,216,124**	939,141
Net assets		**4,560,671**	2,981,415
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		**111,790**	100,000
Reserves		**3,764,376**	2,670,280
Proposed final dividend	*8*	**89,432**	50,000
		3,965,598	2,820,280
Minority interests		**595,073**	161,135
Total equity		**4,560,671**	2,981,415

NOTES

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments and available-for-sale investment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to additional disclosures, the adoption of these new and revised standards and interpretation has had no significant financial effect on these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of* HKFRSs and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Improving Disclosures about Financial Instruments*
HKFRS 8	*Operating Segments*
HKAS 1 (Revised)	*Presentation of Financial Statements*
HKAS 18 Amendment*	Amendment to Appendix to HKAS 18 *Revenue – Determining whether an entity is acting as a principal or as an agent*
HKAS 23 (Revised)	*Borrowing Costs*
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation and* HKAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
HK(IFRIC) – Int 9 and HKAS 39 Amendments	*Reassessment of Embedded Derivative*
HK(IFRIC) – Int 13	*Customer Loyalty Programmes*
HK(IFRIC) – Int 15	*Agreements for the Construction of Real Estate*
HK(IFRIC) – Int 16	*Hedges of a Net Investment in a Foreign Operation*
HK(IFRIC) – Int 18	*Transfers of Assets from Customers (adopted from 1 July* 2009)
Improvements to HKFRSs (October 2008)	Amendments to a number of HKFRSs

* *Included in Improvements to HKFRSs 2009 (as issued in May 2009).*

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the business of manufacture and sale of notebook computer casing. For the management purposes, the Group operates in one business unit based on its casing products, and has one reportable operating segment.

No operating segments have been aggregated to form the above reportable operating segment.

Geographical information

(i) Revenue from external customers:

	2009	2008
	HK$'000	*HK$'000*
The People's Republic of China (the "**PRC**"), excluding Hong Kong	**7,078,064**	6,722,109
The Republic of China (the "**ROC**")	**347,711**	519,740
Others	**38,134**	7,334
	7,463,909	7,249,183

The revenue information above is based on the location of customers.

(ii) Non-current assets:

	2009	2008
	HK$'000	*HK$'000*
The PRC, excluding Hong Kong	**4,241,034**	2,431,563
The ROC	**118,491**	153,488
Others	**30**	51
	4,359,555	2,585,102

The non-current asset information above is based on the location of assets.

Information about major customers

Revenue of approximately HK$2,500,172,000, HK$2,259,923,000 and HK$1,174,415,000 for the year ended 31 December 2009 was derived from sales to three major customers, including sales to a group of entities which are known to be under common control with these customers.

Revenue of approximately HK$2,233,905,000, HK$1,802,311,000 and HK$1,442,682,000 for the year ended 31 December 2008 was derived from sales to three major customers, including sales to a group of entities which are known to be under common control with these customers.

4. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the invoiced value of goods sold, net of value-added tax, business tax and government surcharges, after allowances for returns and trade discounts, and after elimination of all significant intra-group transactions.

An analysis of revenue, other income and gains, is as follows:

	2009	2008
	HK$'000	*HK$'000*
Revenue		
Sale of goods	**7,463,909**	7,249,183
Other income		
Interest income	**6,667**	10,204
Sale of scrap materials	**45,995**	43,973
Dividend income	**1,417**	3,058
Subsidy income	**6,090**	–
Reinvestment tax credit	**–**	35,427
Others	**14,030**	6,548
	74,199	99,210

5. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	2009	2008
	HK$'000	*HK$'000*
Interest on bank loans and other loans wholly repayable within five years	**48,601**	75,113
Total interest expense on financial liabilities not at fair value through profit or loss	**48,601**	75,113

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2009	2008
	HK$'000	*HK$'000*
Cost of inventories sold	**6,027,100**	5,971,928
Depreciation	**314,569**	204,891
Amortisation of lease premium for land	**1,901**	792
Loss on disposal of items of property, plant and equipment, net	**12,690**	11,097

7. INCOME TAX EXPENSE

Hong Kong profits tax has not been provided, as the Group did not have any assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2009	2008
	HK$'000	*HK$'000*
Provision for the year:		
Current – The PRC, excluding Hong Kong		
Charge for the year	**150,159**	65,924
(Overprovision)/Underprovision in prior years	**(356)**	4,386
Current – Overseas		
Charge for the year	**37,511**	61,014
(Overprovision)/Underprovision in prior years	**(13,911)**	356
Tax refund	**(95)**	(1,400)
Deferred tax	**(525)**	–
Total tax charge for the year	**172,783**	130,280

8. DIVIDEND

	2009	2008
	HK$'000	*HK$'000*
Proposed final – HK8 cents (2008: HK5 cents) per ordinary share	**89,432**	50,000

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

9. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the year attributable to equity holders of the Company of HK$704,876,000 (2008: HK$658,295,000) and the weighted average of 1,064,898,625 (2008: 1,000,000,000) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to equity holders of the Company of HK$704,876,000 (2008: HK$658,295,000). The weighted average number of ordinary shares used in the calculation is the 1,064,898,625 (2008: 1,000,000,000) ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of 51,715,501 (2008: 24,001,990) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential shares into shares.

10. TRADE RECEIVABLES

The general credit terms of the Group range from 90 days to 120 days. Trade receivables are non-interest-bearing.

An aged analysis of the Group's trade receivables and factored trade receivables as at the end of reporting period, based on the invoice date, is as follows:

	2009	2008
	HK$'000	*HK$'000*
Trade receivables		
Within 3 months	**2,031,299**	1,827,885
4 to 6 months	**1,213,921**	1,030,249
7 to 12 months	**6,041**	3,491
Over 1 year	**4,602**	1,589
	3,255,863	2,863,214
Factored trade receivables		
Within 3 months	**11,496**	74,205

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

	2009	2008
	HK$'000	*HK$'000*
Neither past due nor impaired	**2,488,088**	2,799,044
1 to 3 months past due	**755,659**	61,082
4 to 6 months past due	**7,130**	1,696
7 to 12 months past due	**786**	963
Over 1 year	**4,200**	429
	3,255,863	2,863,214

Receivables that were neither past due nor impaired relate to a number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

As at 31 December 2008 and 2009, the factored trade receivables are factored to banks on a with-recourse basis for cash.

11. TRADE AND BILLS PAYABLES

An aged analysis of the Group's trade and bills payables as at the reporting period, based on the invoice date, is as follows:

	2009	2008
	HK$'000	*HK$'000*
Within 3 months	**1,491,079**	1,074,814
4 to 6 months	**423,097**	438,355
7 to 12 months	**166,184**	12,095
Over 1 year	**8,844**	4,834
	2,089,204	1,530,098

The trade payables are non-interest-bearing and are normally settled on 90 to 120 days terms.

CELEBRATING OUR 10TH ANNIVERSARY WITH NOTABLE ACHIEVEMENTS

2009 was a year of significance for Ju Teng, full of challenges and opportunities.

2009 marked the tenth anniversary of the Group. When Ju Teng first moved into mainland China, we were a newcomer in the notebook casing manufacturing industry. Over the years, striving to be a total solution provider for notebook casing, the Group has come up with many breakthrough technologies that successfully established its market dominance. Nowadays, Ju Teng prides itself for being the leading notebook casing manufacturer in the world, with a global market share of approximately 30%. The Group also achieved a compound annual growth rate of 29.3% and 38.4% in turnover and profit attributable to equity holders, respectively, for five years in a row. These notable achievements made in a short span of 10 years are certainly worth celebrating.

WEATHERING THE FINANCIAL STORM WITH CONTINUED GROWTH

Nevertheless, the joy of our tenth anniversary was quickly overshadowed by the outbreak of the financial tsunami that impacted the world economy including China. This financial crisis presented us the greatest challenge in our corporate history. In late 2008, many customers began to drastically cut back on orders. The situation continued to be severe in the first quarter of 2009. To combat these negative effects on our business, we immediately launched a series of remedial measures. While adjusting its pricing structure, the Group also worked hand in hand with clients to deliver notebook casing solutions quickly, responding to their urgent needs for new products to stimulate consumer interest amid lackluster market performance. Ju Teng's responsive policies brought very positive results as we witnessed a gradual increase in sales. At the same time, the Group also saw many of its smaller industry peers cease operations during this dire situation and grasped the opportunity to secure more orders, thus facilitating a rapid business rebound to pre-financial tsunami levels.

Ju Teng's success in making a quick turnaround during this financial crisis is attributable to our invaluable experiences in stringent cost control and quality management, which enabled us to react promptly in critical moments and squeeze costs on every level to a minimum. On the other hand, thanks to our detailed analysis of the complicated production processes, the Group's products still maintained an overall high success rate of 90%. This not only reduced waste but also gained customers' confidence, thereby bringing in more orders in a fast-changing market environment. In retrospect, this financial tsunami is undoubtedly the biggest challenge we have faced to date; it is however also a solid testament to the success of our business strategies in the past decade.

EXPANDING PRODUCTION CAPABILITIES THROUGH ACQUISITION AND INVESTMENT

Despite the threat of the financial tsunami, Ju Teng continued to expand during the year under review. In March 2009, the Group completed the acquisition of Wah Yuen Technology Holding Limited ("Wah Yuen") – a magnesium alloy casing manufacturer, to expand its metal casing production capabilities. After the acquisition, the Group strengthened the company's management team, which soon brought its business back into the black. At the moment, Wah Yuen enjoys healthy growth with orders picking up steadily.

By the end of 2009, the Group further expanded its production capabilities by setting up a new production facility in Jiangsu province via a joint-venture with a client. Commanding an annual production capacity of 10 million casings, the new factory not only fortifies Ju Teng's cooperation with its client but also ensures the Group's stable long-term growth.

FUND RAISING SUCCESS IN TAIWAN VIA TDR

On 25 May 2009, Ju Teng was successfully listed on the Taiwan Stock Exchange via issue of Taiwan Depositary Receipts ("TDR"), marking a huge milestone in the Group's corporate history. After 10 years' development in mainland China, Ju Teng's triumphant return to Taiwan certainly brought us much pride and joy. We were also overwhelmed by the enormous support from investors who pushed the share price to record highs.

SUSTAINING GROWTH AND SOLIDIFYING LEADERSHIP

Riding the growth momentum of notebook computers, Ju Teng is poised for further expansion in the next decade. In fact, the growing popularity of notebook computers seems to ensure its replacement of desktop computers in the long run. Given their low penetration rate in global markets, especially the Asia Pacific region, notebook computers have immense growth potential. The increasing dominance of notebook computers coupled with breakthroughs in related software, hardware and mobile technologies will ultimately intensify market competition and shorten the product life cycle. Since beautiful casings appeal directly to consumers, this trend is highly positive for our business growth.

Apart from plastic casing manufacturing, the Group will also venture into other non-plastic casing businesses that provide higher gross profit margins. In addition to the commencement of LCD TV casing manufacturing in the third quarter of 2009, the Group has also diversified its business with the manufacturing of digital camera casing. We expect to obtain more casing contracts from manufacturers of these two products.

Looking forward to the next decade, Ju Teng will solidify its leadership in the global notebook casing industry by aiming at a 40% market share. Employing its competitive edge in notebook casing, the Group will broaden its business horizon and manufacture casing for other personal digital and consumer electronics products.

In appreciation of shareholders' support, Ju Teng started dividend distribution last year and increased the payout ratio for the year under review. In the years ahead, while recognizing the importance of capital expenditure for robust expansion plans, the Group also hopes to share the fruits of our success with shareholders by increasing its dividend in line with revenue growth.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Prospects

During the year, the financial tsunami continued to impact both the global economy and consumer confidence. As a result many customers cut back their orders, creating a direct impact on the Group's business performance in the first half of the year. Ju Teng immediately responded to this adversity by launching an array of contingency measures including adjusting prices and shortening the time for providing customers with solutions to help them introduce more products with attractive prices and thus stimulate consumer demand. These measures successfully turned the situation around and enabled the Group to increase sales in the second half of the year. As a result, growth in turnover was maintained for the year.

In the context of an economic downturn, price can be described as the key to success. This has given rise during the year to the unexpected emergence of affordable netbooks as the hot-selling item among the different kinds of notebook computers. The roll-out of CULV-based notebook (characterized by a slim design and lighter weight) in the market also contributed to the business performance of Ju Teng. By employing cutting-edge technologies in the production of plastic casing, the Group secured a large number of orders for manufacturing beautiful and quality computer casings for customers. This stimulated consumers' desire to purchase and resulted in an increase in sales.

While maintaining its leading position in notebook computer casing manufacturing, Ju Teng is also focusing its attention on the development of other high margin casing businesses. It completed its acquisition of a 53.4% stake in magnesium alloy casing manufacturer Wah Yuen in March 2009 for a consideration of US$51.8 million in order to expand into the metal casing business. This move has not only expanded the Group's product portfolio but has also enhanced Ju Teng's competitiveness in the casing manufacturing market.

During the year, Ju Teng was also aggressive in improving its production capacity by forming a joint venture with its customer to build a plant in Taizhou, Jiangsu Province, primarily for the production of notebook computer casing, with an annual production capacity of up to 10 million casings. Currently, the Group has seven plants with a total annual production capacity of up to 60 million casings. Management believes this form of cooperation can help the Group secure a stable amount of orders and reduce investment costs.

In May 2009, Ju Teng raised HK$401 million on the Taiwan Stock Exchange through the issuance of Taiwan Depositary Receipts. These proceeds will be applied to the expansion of its plants and the repayment of some loans. Ju Teng's return to Taiwan for a listing is beneficial to the Group's development as the move can expand financing channels and also enhance the Company's reputation and build up its image as an international corporation.

Looking forward to next year, management remains cautiously optimistic about business prospects. The computer consumer market is performing fairly well despite a number of uncertainties over the current global economic development. Statistics recently published by the Ministry of Industry and Information Technology of the People's Republic of China suggest that there is an evident upward trend in the exports of computer products in 2010. Computer product exports from China topped US$14.46 billion in January 2010, representing an increase of 43.6% over the same period last year. Of these exports, notebook computer exports grew sharply to US$6.32 billion, representing an increase of 66%.

Management believes the financial tsunami in 2008 has forced many customers to immediately shelve their plans to replace computers. The gradual recovery of the global economy and the potential of increased spending by companies are expected to spark a new wave of demand for computer replacements. In addition, the introduction of new computer operating systems will also prompt a drive for the replacement of business laptops. This will have a positive and proactive impact on the Group's business development.

To cope with the growth in notebook computers, the Group will continue to expand its production capacity, increase its market share and consolidate Ju Teng's leading position in notebook computer casing manufacturing.

In addition, Ju Teng will try to further diversify its products. One of the examples is that we have commenced the production of LCD TV casing and digital cameras casing in the second half of the year. Although this new business now contributes a small share to the Group's operating income, the management anticipates this business holds enormous room for development in the future.

Financial Review

During the year, as the impact of the contingency measures introduced by the Group to combat the financial tsunami became apparent, turnover for the year continued to grow 3% to approximately HK$7,464 million (2008: HK$7,249 million). The decline in the prices of raw materials together with our success in controlling costs helped gross profit to improve this year. The Group's overall gross profit margin for the year ended 31 December 2009 improved to 18.0% (2008: 16.7%).

The Group's operating costs and other operating expenses (including administrative expenses, selling and distribution costs and other expenses) rose by 4.3% to approximately HK$436 million (2008: HK$418 million), representing 5.8% (2008: 5.8%) of the Group's turnover.

During the year, finance costs were approximately HK$49 million, down 35.3% from 2008. This decrease was due to the decline in US dollar interest rates and low utilization of trade receivable factoring facilities.

During the year, profit attributable to equity holders amounted to HK$705 million (2008: HK$658 million), representing an increase of 7% from last year. This was mainly attributable to the increase in turnover and the continuous improvement in gross margin.

Liquidity and Financial Resources

As at 31 December 2009, total bank borrowings of the Group amounted to approximately HK$2,085 million, representing an increase of approximately 11% as compared to those as at 31 December 2008. The Group's bank borrowings comprise short-term loans due within one year, loans carrying a term of two to three years and revolving syndicated loans carrying a term of three years. As at 31 December 2009, the Group's bank loans denominated in USD, New Taiwan dollars and Renminbi ("RMB") carried the amounts of approximately HK$2,023 million (31 December 2008: HK$1,858 million), approximately HK$20 million (31 December 2008: HK$19 million) and approximately HK$42 million (31 December 2008: nil) respectively.

During the year, due to the continuous improvement in cash flow from operating activities and an increase in trade payables, the Group's cash flow from operating activities improved substantially from a net cash outflow of approximately HK$217 million in 2008 to a net cash inflow of approximately HK$1,220 million. Due to the acquisition of a magnesium alloy casing manufacturer and the purchase of fixed assets to expand production capacity, the Group recorded a cash outflow of approximately HK$1,405 million from investing activities (2008: HK$867 million). During the year, the offering of Taiwan Depositary Receipts resulted in a net cash inflow from financing activities of approximately HK$345 million (2008: HK$1,106 million). As at 31 December 2009, the Group's cash and bank balances were approximately HK$608 million (31 December 2008: HK$451 million).

The gearing ratio of the Group as at 31 December 2009, calculated as total bank borrowings of approximately HK$2,085 million (31 December 2008: HK$1,877 million) divided by total assets of approximately HK$9,521 million (31 December 2008: HK$7,144 million), was 21.9% (31 December 2008: 26.3%). The improvement in the gearing ratio was due to the substantial increase in the Group's total assets.

Issue of Taiwan Depositary Receipts

As announced by the Company on 15 May 2009, 100 million Shares were issued by the Company on 22 May 2009 as underlying securities of the Taiwan Depositary Receipts ("TDR") in order to raise funds for the Group's future business development. The 100 million Shares were issued at an aggregate nominal value of HK$10 million. The issue price and the net price of each Share was NT$17.3 (equivalent to HK$4.07) and HK$4.01, respectively. The closing price of the Shares was HK$4.09 on 15 May 2009, the date on which the terms of the issue ("TDR Issue") of the TDR were fixed. The TDR Issue consisted of 100 million units of TDR comprised of (a) an offer of 1,000 units of TDR for subscription by the Securities and Futures Investors Protection Center pursuant to the applicable securities laws in Taiwan; (b) an offer of an aggregate of 10 million units of TDR for subscription by the underwriters to the TDR Issue; (c) an offer of an aggregate of 10 million units of TDR for application for subscription by the public in Taiwan; and (d) an offer of an aggregate of 79,999,000 units of TDR for subscription by selected institutional and individual investors in Taiwan through the book building process. Net proceeds of approximately HK$401 million were raised from the TDR Issue, of which approximately HK$312 million was used for the establishment of a subsidiary of the Company in Zhenjiang, Jiangsu, the PRC and approximately HK$89 million was for the repayment of certain existing loan facilities of the Group.

Pledge of Assets

As at 31 December 2009, the Group pledged leased land and buildings and machinery with an aggregate carrying value of approximately HK$100 million (31 December 2008: HK$70 million) as well as trade receivables of approximately HK$23 million (31 December 2008: HK$193 million) as security for the bank facilities of the Group.

Foreign Exchange Exposure

Since most of the Group's revenue is denominated in USD and most of the Group's expenses are denominated in RMB, any appreciation in the value of RMB will adversely affect the Group's profitability. Accordingly, the Group has entered into forward foreign exchange contracts to mitigate possible exchange losses arising from the fluctuations in the values of the USD and RMB.

Employees

As at 31 December 2009, the Group had approximately 35,000 employees. The Group recorded staff costs of approximately HK$1,074 million (2008: HK$838 million). The Group's employees are remunerated in line with prevailing market terms and individual performance, with their remuneration packages and policies reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and the individual employee. The Group also operates a mandatory provident fund which is a compulsory contribution retirement benefits scheme for all of its employees in Hong Kong, and provides its PRC employees with a welfare scheme as required by the applicable laws and regulations of the PRC.

Capital Commitment

As at 31 December 2009, the capital commitments which the Group had contracted for but were not provided for in the financial statements in respect to the acquisition of land and building and machinery amounted to approximately HK$246 million (31 December 2008: HK$428 million).

Contingent Liabilities

As at 31 December 2009, the Group did not have any significant contingent liabilities.

Event after the reporting period

The Company and certain of its subsidiaries entered into two US$120 million three-year term loan facility agreements dated 5 March 2010 with certain banks. Each of the term loan facility agreement has a two-year extension option to increase the tenor to five years. The proceeds of the facility agreements would be used for the Group's expansion of manufacturing capacity and general working capital purpose.

FINAL DIVIDEND

The Directors recommend the payment of a final dividend of HK$0.08 per share in respect of the year ended 31 December 2009 (2008: HK$0.05 per share) to shareholders whose names appear on the register of members of the Company on 18 May 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 17 May 2010 to 18 May 2010, both days inclusive, during which period no transfer of shares can be registered. To qualify for the final dividend (which will be payable on or about 31 May 2010) to be approved at the forthcoming annual general meeting of the Company and the attendance at the annual general meeting, shareholders must ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 14 May 2010.

CORPORATE GOVERNANCE REPORT

The Company continues to devote much efforts on formulating and implementing sufficient corporate governance practices which it believes is crucial to its healthy growth and its business needs.

The Company has adopted and applied the code provisions set out in the Code on Corporate Governance Practices ("**CG Code**") contained in Appendix 14 to the Rules ("**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**"). The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. For the year ended 31 December 2009, the Company had complied with the code provisions of the CG Code save as disclosed below:

Code Provision A.1.3

Pursuant to code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting so as to give all directors an opportunity to attend. However, not all regular board meetings held during the year was convened by a notice of more than 14 days. The failure to serve notice timely as required under the relevant CG Code was mainly due to the insufficient time for arranging for the relevant regular board meetings. To ensure compliance with the CG Code and to furnish the Directors with appropriate information in a timely manner, the chairman of the Board and the company secretary will arrange for the regular Board meetings in advance in order to allow the service of sufficient and proper notice to all the Directors concerned.

Code Provision A.2.1

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheng Li-Yu is the chairman of the Board but the Company has not appointed any chief executive officer. The day-to-day management of the business of Group and the execution of the instructions and directions of the Board are managed by the management team of the Group which comprises some of the executive Directors and the senior management of the Group. The Directors believe that the allocation of the daily management of different sectors of the Group's business amongst the senior management who possesses experiences and qualifications in different areas will enable the Group to enhance the effectiveness and efficiency of the implementation of its business plan. The Board will continue to review the current management structure from time to time and shall make necessary changes when appropriate and inform the investors of the Company accordingly.

Code Provision A.4.2

Pursuant to code provision A.4.2 of the CG Code, all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Mr. Cherng Chia-Jiun was appointed as an independent non-executive Director on 31 July 2008 to fill the casual vacancy after the resignation of Mr. Yu Chwo-Ming. The first general meeting after his appointment was an extraordinary general meeting of the Company held on 26 February 2009. According to the abovementioned code provision, he should be subject to election by shareholders at that extraordinary general meeting. Due to inadvertent oversight, he was re-elected at the annual general meeting of the Company held on 21 May 2009, which was the second general meeting after his appointment.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2009.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Company is satisfied that all the Directors have fully complied with the standards set out in the Model Code for the year ended 31 December 2009.

AUDIT COMMITTEE

The Audit Committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group and the consolidated financial statements and results of the Group for the year ended 31 December 2009.

REMUNERATION COMMITTEE

The Remuneration Committee of the Board has reviewed remuneration policy and packages of the Directors and senior management for the year ended 31 December 2009.

PUBLICATION ON THE STOCK EXCHANGE'S WEBSITE

The results announcement will be published on the Company's website (http://www.irasia.com/listco/hk/juteng) and Stock Exchange's website (http://www.hkex.com.hk). The 2009 Annual Report will be despatched to the shareholders of the Company and will be made available on the websites of the Company and Stock Exchange in due course.

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

Hong Kong, 29 March 2010

As at the date of this announcement, the executive Directors are 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 the independent non-executive Directors are Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming.