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)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

Financial Highlights

- Turnover for the six months ended 30 June 2014 reached approximately HK$4,399 million, representing an increase of approximately 2.3%.
- Gross profit for the six months ended 30 June 2014 reached approximately HK$774 million, representing a decrease of approximately 2.4%.
- Gross profit margin for the six months ended 30 June 2014 decreased to approximately 17.6% from approximately 18.4% for the six months ended 30 June 2013.
- Profit attributable to equity holders of the Company for the six months ended 30 June 2014 reached approximately HK$311 million, representing an increase of approximately 19.3%.
- Basic earnings per share attributable to equity holders of the Company increased to approximately HK26.6 cents, representing an increase of approximately 17.7%.
- Net asset value per share attributable to equity holders of the Company as at 30 June 2014 and 31 December 2013 reached approximately HK$5.3.

The board (the "**Board**") of directors (the "**Directors**") of Ju Teng International Holdings Limited (the "**Company**" or "**Ju Teng**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2014 (the "**Period**") as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2014

		For the six months ended 30 June	
		2014	2013
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	2	**4,398,690**	4,298,825
Cost of sales		**(3,624,459)**	(3,505,901)
Gross profit		**774,231**	792,924
Other income and gains	3	**88,187**	30,424
Selling and distribution expenses		**(55,574)**	(44,511)
Administrative expenses		**(309,696)**	(258,167)
Other expenses		**(19,071)**	(35,182)
Finance costs	4	**(46,703)**	(22,415)
PROFIT BEFORE TAX	5	**431,374**	463,073
Income tax expense	6	**(83,118)**	(142,971)
PROFIT FOR THE PERIOD		**348,256**	320,102
Attributable to:			
Equity holders of the Company		**310,686**	260,408
Non-controlling interests		**37,570**	59,694
		348,256	320,102
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8		
- Basic (HK cents)		**26.6**	22.6
- Diluted (HK cents)		**25.5**	21.5

Details of dividend for the Period are disclosed in note 7.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2014

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**348,256**	320,102
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(248,103)**	122,481
Available-for-sale investment:		
Change in fair value	**16,308**	964
Income tax effect	**(2,772)**	(164)
	13,536	800
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(234,567)**	123,281
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**113,689**	443,383
Attributable to:		
Equity holders of the Company	**120,783**	352,807
Non-controlling interests	**(7,094)**	90,576
	113,689	443,383

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2014

	Notes	30 June 2014 (Unaudited) *HK$'000*	31 December 2013 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**7,604,850**	7,290,846
Lease premium for land		**344,509**	205,199
Goodwill		**40,062**	40,062
Prepayments for acquisition of property, plant and equipment		**290,166**	122,244
Available-for-sale investments		**60,333**	44,042
Total non-current assets		**8,339,920**	7,702,393
CURRENT ASSETS			
Inventories		**1,176,041**	1,183,131
Trade receivables	9	**3,553,111**	3,953,777
Prepayments, deposits and other receivables		**776,073**	793,583
Pledged bank balances and time deposits		**22,937**	23,803
Cash and cash equivalents		**1,402,552**	1,061,299
Total current assets		**6,930,714**	7,015,593
CURRENT LIABILITIES			
Trade and bills payables	10	**1,388,203**	1,554,929
Other payables and accruals		**749,729**	984,038
Tax payable		**223,398**	237,854
Interest-bearing bank borrowings		**3,216,702**	2,663,599
Derivative financial instruments		**1,026**	4,190
Total current liabilities		**5,579,058**	5,444,610
NET CURRENT ASSETS		**1,351,656**	1,570,983
TOTAL ASSETS LESS CURRENT LIABILITIES		**9,691,576**	9,273,376
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,883,827**	1,634,195
Deferred income		**210,046**	-
Deferred tax liabilities		**18,922**	6,391
Total non-current liabilities		**2,112,795**	1,640,586
Net assets		**7,578,781**	7,632,790
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	11	**116,736**	116,736
Reserves		**6,071,890**	5,943,700
Proposed final dividend		**-**	175,105
		6,188,626	6,235,541
Non-controlling interests		**1,390,155**	1,397,249
Total equity		**7,578,781**	7,632,790

NOTES

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY AND DISCLOSURE

The condensed consolidated interim financial information for the Period has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013. The accounting policies and basis of preparation adopted in the preparation of the interim financial information are the same as those used in the annual financial statements for the year ended 31 December 2013, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**", which also include HKASs and Interpretations) that affect the Company and the Group and has adopted for the first time for the current period's financial information:

HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – *Investment Entities*
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
HKAS 39 Amendments	Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
HK(IFRIC) – Int 21	*Levies*

Adoption of these new and revised HKFRSs did not have any material effect on the financial position or performance of the Group.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a potential impact on its results of operations and financial position.

2. OPERATING SEGMENT INFORMATION

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

Revenue from external customers:

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The People's Republic of China (the "**PRC**"), excluding Hong Kong	**4,170,525**	4,152,627
The Republic of China	**137,613**	45,926
Others	**90,552**	100,272
	4,398,690	4,298,825

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

3. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest income	**8,946**	3,721
Subsidy income	**64,467**	7,241
Compensation income	**6,921**	12,218
Others	**7,853**	7,244
	88,187	30,424

4. FINANCE COSTS

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

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans and other loans wholly repayable within five years	**51,244**	30,875
Total interest expense on financial liabilities not at fair value through profit or loss	**51,244**	30,875
Less: Interest capitalised	**(4,541)**	(8,460)
	46,703	22,415

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**3,666,185**	3,495,586
Depreciation	**377,596**	311,006
Amortisation of lease premium for land	**7,112**	2,416
Losses on disposal of items of property, plant and equipment, net	**10,215**	20,232
(Written back of provision)/provision for slow-moving and obsolete inventories	**(19,671)**	7,393
Fair value losses on derivative financial instruments, net	**3,164**	12,779
Foreign exchange losses/(gains), net	**2,986**	(3,519)

6. INCOME TAX

Hong Kong profits tax has not been provided as the Group did not have any assessable profits arising in Hong Kong during the Period (six months ended 30 June 2013: Nil). 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.

	For the six months ended 30 June	
	2014	2013
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Provision for the Period		
Current – The PRC, excluding Hong Kong		
Charge for the Period	**67,996**	128,579
Underprovision in prior years	**1,014**	5,520
Current – Overseas		
Charge for the Period	**12,095**	14,815
Overprovision in prior years	**(7,747)**	(5,703)
Deferred tax	**9,760**	(240)
Total tax charge for the Period	**83,118**	142,971

During the six months ended 30 June 2013, an amount of HK$51,062,000 withholding tax had been paid by the Group in relation to the repatriation of dividends declared by certain subsidiaries of the Company in the PRC.

7. INTERIM DIVIDEND

The Directors did not propose to declare any interim dividend for the Period (six months ended 30 June 2013: Nil).

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

The calculation of basic earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$310,686,000 (six months ended 30 June 2013: HK$260,408,000) and the weighted average number of 1,167,366,000 (six months ended 30 June 2013: 1,150,162,000) ordinary shares in issue during the Period.

The calculation of diluted earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$310,686,000 (six months ended 30 June 2013: HK$260,408,000). The weighted average number of ordinary shares used in the calculation is the 1,167,366,000 (six months ended 30 June 2013: 1,150,162,000) ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average number of 52,910,595 (six months ended 30 June 2013: 59,989,993) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

9. 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 as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2014 (Unaudited) ***HK$'000***	As at 31 December 2013 (Audited) *HK$'000*
Within 3 months	**2,572,386**	2,799,468
4 to 6 months	**868,909**	1,075,086
7 to 12 months	**111,816**	79,223
	3,553,111	3,953,777

10. TRADE AND BILLS PAYABLES

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

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

	As at 30 June 2014 (Unaudited) ***HK$'000***	As at 31 December 2013 (Audited) *HK$'000*
Within 3 months	**1,135,527**	1,311,382
4 to 6 months	**222,969**	218,815
7 to 12 months	**15,332**	8,285
Over 1 year	**14,375**	16,447
	1,388,203	1,554,929

11. SHARE CAPITAL

	As at 30 June 2014 (Unaudited) ***HK$'000***	As at 31 December 2013 (Audited) *HK$'000*
Authorised:		
2,000,000,000 shares of HK$0.1 each	**200,000**	200,000
Issued and fully paid:		
1,167,366,000 shares of HK$0.1 each	**116,736**	116,736

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review & Prospect

The International Monetary Fund has cut its global economic growth forecast for 2014 from 3.7% (the original forecast made in April 2014) to 3.4%, as impacted by the economic instability in Europe and the United States ("US") and the conflict in Ukraine. The sluggish economic recovery led to weak demand in emerging markets. Based on statistical data from the International Data Corp. ("IDC"), the global PC (including desktop computers, notebook computers and tablet PCs) shipments, as affected by the weak demand in emerging markets, recorded a continuous decrease and the decline did not alleviate until the second quarter of 2014, with a 4.4% decline in the first quarter of 2014 and a 1.7% slowdown in the second quarter of 2014 over the same period of last year. Canalys, a global market research institution, reported an easing downward trend of notebook computers in May 2014 and indicated that such trend was mainly attributable to the steady North American market and the recovering West European market. As one of the largest worldwide notebook computer casing manufacturers, Ju Teng's business performance corresponds closely with the market. Amid the steady industry climate, Ju Teng managed to maintain an approximately 2.3% increase in revenue during the first half of the year 2014 as compared to the corresponding period last year. In addition to the existing stable clients and orders of the Group, the cease of updates to Windows XP by Microsoft on 8 April 2014 stimulated the replacements of PCs and to a certain extent promoted notebook computer shipments, contributing to the growth of the Group's notebook computer casings business.

Being continuously affected by the trends of large screens on smartphones, slimming notebook computers and the growing popularity of touch screen functions thereon, tablet PC shipments recorded only 3.9% growth for the first quarter of 2014 as compared to that of the last year and declined sequentially from the first quarter of 2014 by 1.5% for the second quarter this year, according to the statistical data from IDC. NPD DisplaySearch explained that the performance of this category of electronic devices was affected by the decline of certain US tablet PCs brand shipments. However, different levels of growth were recorded in the Middle East, Greater China, Central Europe and Eastern Europe according to Canalys. As Ju Teng's tablet PC casings mainly supplied to the mid-priced market, the Group was not affected by the shrinkage of individual predominant brands. Ju Teng's tablet PC casings remained stable during the period under review.

Smartphone was the only product which saw increasing momentum among the smart mobile devices (including notebook computers, tablet PCs and smartphones) during the Period. Based on statistical data from IDC, global smartphone shipments increased by 23.1% to approximately 300 million units for the second quarter of 2014 as compared to the same period last year. Smartphone casings has been a new segment of Ju Teng and it was committed to expanding its customer base during the period under review. However, smartphone casing business of the Group was yet to gain significant market share and represented only a small proportion in the Group's revenue, thus unobvious benefits from the growth of the smartphone market.

As a world leading notebook computer casings manufacturer, Ju Teng mainly develops and manufactures plastic casings, metal casings and composite material casings. Among the others, the market share of plastic casings has maintained a desired level and contributed stable returns to the Group. Thanks to the market trend and design preferences, metal casings as well as composite material casings are gaining popularity. With thorough understanding of the market trends, the Group has continued to develop these two types of casings, thus capturing the promising market share. During the period under review, these two types of casings recorded healthy growth in proportion to the overall products. As the Chongqing plant of the Group is currently under construction, an annex to the Jurong plant is being built to relieve the shortage of production capacity faced until the commencement of the operation of the Chongqing plant. The annex is expected to commence production in the third quarter of this year. Once the construction of the Chongqing plant is completed, Ju Teng will devote to promote the two sorts of materials among high-end customers.

According to IDC's forecast published in June 2014, smartphones will continue to be the key factor driving smart mobile device shipments, with a 15.6% expected growth this year. Microsoft's end of support to Windows XP will continue to drive the replacements of commercial PCs, therefore, Ju Teng's notebook computer casings business is expected to achieve an encouraging performance. Ju Teng holds a stable market share in the mid-priced tablet PC casings and its performance is expected to remain satisfactory in this segment. According to IDC's forecast, the ratio of smartphones shipments to the overall PCs shipments will rise to 6:1 in 2018. The growth in smartphones which are the first choice and the necessity among the mobile devices will remain robust in the second half of the year. Ju Teng will seize the opportunities to expand its smartphone casing business by seeking new customers and orders, with a view to increasing the Group's revenue. Ju Teng has observed a preference to metal casing among the brands which seek to tap into high-end smartphone markets. When the Chongqing plant has commenced operation, the Board expects that Ju Teng's metal casing production capacity will increase significantly. Ju Teng looks forward to a leap in the smartphone segment by then.

Ju Teng, being a global leading casing manufacturer, will maintain its existing healthy product mix and a steady expansion strategy. The Group will strive for new clients and orders, enhance and optimize its production capacity, as well as enrich its product mix in order to solidify its leading position as the one-stop casing solutions provider for notebook computers, tablet PCs and smartphones. Ju Teng will continue to keep abreast of the market trends and the industry development, and actively adjust its strategies with a view towards stable and sustainable growth of the Group.

Financial Review

During the Period, the Group continued its strategy to launch new products and boosted its metal and composite materials casings operation to compensate the sluggish demand for notebook computers. There was a slight increase of the Group's revenue of approximately 2.3% to approximately HK$4,399 million (2013: HK$4,299 million). Due to the higher development costs for the new products of the customers and the lower yield rate for the initial production, the Group's gross profit margin during the Period dropped to approximately 17.6% (2013: 18.4%).

During the Period, due to the increase in various government subsidies received by certain subsidiaries of the Company in the PRC, the Group recorded an increase of approximately 189.9% in other income to approximately HK$88 million (2013: HK$30 million), accounting for approximately 2.0% (2013: 0.7%) of the Group's turnover.

Due to the expansion of the production capacity of production plants in Sichuan Province and Jiangsu Province, the Group recorded an increase of approximately 20.7% in operating costs, including administrative expenses, and selling and distribution costs, to approximately HK$365 million (2013: HK$303 million) during the Period, accounting for approximately 8.3% (2013: 7.0%) of the Group's turnover.

During the Period, due to the decrease in losses on disposal of property, plant and equipment, the Group recorded a decrease of approximately 45.8% in other expenses to approximately HK$19 million (2013: HK$35 million), accounting for approximately 0.4% (2013: 0.8%) of the Group's turnover.

Finance costs increased by approximately 108.4% to approximately HK$47 million (2013: HK$22 million) for the Period as compared to that of the same period in 2013, which was mainly attributable to the increase in bank borrowings and interest rates. Interest capitalised during the Period was approximately HK$5 million (2013: HK$8 million).

Income tax expenses decreased by approximately 41.9% to approximately HK$83 million (2013: HK$143 million) for the Period as compared to that of the same period in 2013, which was mainly attributable to the incurrence of an one-off withholding tax expense in the amount of approximately HK$51 million in relation to the repatriation of dividends declared by certain subsidiaries of the Company in the PRC for the six months ended 30 June 2013.

The profit attributable to equity holders for the Period amounted to approximately HK$311 million (2013: HK$260 million), representing an increase of approximately 19.3% when compared to the same period last year. The increase in the profit attributable to equity holders was mainly attributable to the increase in the Group's other income and decrease in income tax expenses.

Liquidity and Financial Resources

As at 30 June 2014, total bank borrowings of the Group amounted to approximately HK$5,101 million (31 December 2013: HK$4,298 million), representing an increase of approximately 18.7% as compared to that of 31 December 2013. The Group's bank borrowings include short-term loans with 1-year maturity, 2-year term loans and 3-year revolving syndicated loans. As at 30 June 2014, the Group's bank loans denominated in USD and New Taiwan Dollars were approximately HK$5,030 million (31 December 2013: HK$4,231 million) and approximately HK$71 million (31 December 2013: HK$67 million) respectively.

During the Period, the Group's cashflow from operating activities decreased to approximately HK$762 million from approximately HK$890 million during the same period last year mainly due to a decrease in trade and bills payables and other payables and accruals. As a result of the purchase of fixed assets for the expansion of production plants in Jiangsu Province and the establishment of new production plant in Chongqing City, the Group recorded a net cash outflow from investing activities of approximately HK$988 million (2013: HK$737 million). During the Period, due to the additional bank borrowings obtained to finance the expansion of production capacities, the Group recorded a net cash inflow from financing activities of approximately HK$628 million (2013: net cash outflow of HK$357 million). As at 30 June 2014, the Group had cash and bank balances of approximately HK$1,403 million (31 December 2013: HK$1,061 million).

As at 30 June 2014, the Group's gearing ratio, calculated as total bank borrowings of approximately HK$5,101 million (31 December 2013: HK$4,298 million) divided by total assets of approximately HK$15,271 million (31 December 2013: HK$14,718 million) was 33.4% (31 December 2013: 29.2%). The increase of gearing ratio was due to the increase in total bank borrowings.

Pledge of Assets

As at 30 June 2014 and 31 December 2013, the Group did not have any leasehold land and buildings and machinery pledged to secure banking facilities granted to the Group.

As at 30 June 2014 and 31 December 2013, shares of certain subsidiaries of the Company were pledged to secure banking facilities granted to 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, the appreciation of value of RMB will have adverse effect on the Group's profitability. Accordingly, the Group has entered into forward foreign exchange contracts as needed to mitigate possible exchange losses in relation to the fluctuations in the values of the USD and RMB.

Employees

As at 30 June 2014, the Group had approximately 39,000 employees (30 June 2013: 38,000 employees). The Group recorded staff costs of approximately HK$1,103 million (2013: HK$935 million).

The Group's employees are remunerated in line with the prevailing market terms and individual performance, with the remuneration package and policies reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and that of the individual employee. The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme for its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC.

Capital Commitment

As at 30 June 2014, the capital commitments which the Group had contracted for but were not provided for in the financial information in respect of the acquisition of land, buildings, machinery and office equipment amounted to approximately HK$759 million (31 December 2013: HK$877 million).

As at 31 December 2013, the capital commitments which the Group had authorized for but were not contracted for in the financial information in respect to the acquisition of land and buildings amounted to approximately HK$70 million.

Contingent Liabilities

As at 30 June 2014, the Group did not have any significant contingent liabilities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

INTERIM DIVIDEND

The Directors do not recommend the payment of interim dividend for the Period.

CORPORATE GOVERNANCE PRACTICES

The Company continues to devote much effort 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 the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). The Company and the corporate governance committee of the Company periodically review its corporate governance practices to ensure its continuous compliance with the CG Code. Save as disclosed below, the Company had complied with the code provisions of the CG Code throughout the Period.

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive 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. Details of the considered reasons for such deviation had been set out under the paragraph headed "Code Provision A.2.1" in the corporate governance report contained in the Company's annual report for the year ended 31 December 2013.

The Board will continue to review the management structure of the Group from time to time and shall make necessary changes when appropriate and inform the shareholders of the Company accordingly.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted and applied a code of conduct regarding the Directors' securities transaction on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**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 required standards set out in the Model Code and the code of conduct of the Company during the Period.

AUDIT COMMITTEE

The audit committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group and the unaudited consolidated interim financial information and results of the Group for the Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Company's website (http://www.irasia.com/listco/hk/juteng) and the Hong Kong Stock Exchange's website (http://www.hkexnews.hk). The 2014 interim report will be despatched to the shareholders of the Company and will be made available on the websites of the Company and the Hong Kong Stock Exchange in due course in accordance with the Listing Rules.

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

Hong Kong, 20 August 2014

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.