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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)**

**ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Financial Highlights**

- Revenue for the year ended 31 December 2024 was approximately HK\$6,026 million, representing a decrease of approximately 13.1%.
- Gross profit for the year ended 31 December 2024 was approximately HK\$173 million, representing a decrease of approximately 65.9%.
- Gross profit margin for the year ended 31 December 2024 decreased to approximately 2.9% from approximately 7.3% for the year ended 31 December 2023.
- Loss attributable to equity holders of the Company for the year ended 31 December 2024 was approximately HK\$530 million, as compared to the loss attributable to equity holders of the Company of approximately HK\$231 million for the year ended 31 December 2023.
- Basic loss per share attributable to equity holders of the Company for the year ended 31 December 2024 was approximately HK62.7 cents, as compared to the basic loss per share attributable to equity holders of the Company of approximately HK27.3 cents for the year ended 31 December 2023.
- Net asset value per share attributable to equity holders of the Company as at 31 December 2024 was approximately HK\$3.9 as compared with approximately HK\$4.6 as at 31 December 2023.

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 2024 as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>REVENUE</b>	3	<b>6,026,320</b>	6,936,056
Cost of sales		<u>(5,853,135)</u>	<u>(6,428,556)</u>
Gross profit		<b>173,185</b>	507,500
Other income and gains	3	<b>301,497</b>	279,626
Selling and distribution expenses		<b>(149,325)</b>	(145,996)
Administrative expenses		<b>(556,402)</b>	(518,044)
Other expenses		<b>(313,788)</b>	(75,122)
Finance costs	4	<b>(182,728)</b>	(214,562)
Share of loss of an associate		<u>-</u>	<u>(47)</u>
<b>LOSS BEFORE TAX</b>	5	<b>(727,561)</b>	(166,645)
Income tax expense	6	<u>(2,321)</u>	<u>(162,176)</u>
<b>LOSS FOR THE YEAR</b>		<b><u>(729,882)</u></b>	<b><u>(328,821)</u></b>
Attributable to:			
Equity holders of the Company		<b>(529,890)</b>	(230,815)
Non-controlling interests		<b>(199,992)</b>	(98,006)
		<b><u>(729,882)</u></b>	<b><u>(328,821)</u></b>
<b>LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	8		
- Basic (HK cents)		<b><u>(62.7)</u></b>	<b><u>(27.3)</u></b>
- Diluted (HK cents)		<b><u>(62.7)</u></b>	<b><u>(27.3)</u></b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>LOSS FOR THE YEAR</b>	<b><u>(729,882)</u></b>	<b><u>(328,821)</u></b>
<b>OTHER COMPREHENSIVE INCOME/(EXPENSES)</b>		
Other comprehensive expenses that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>(305,658)</b>	(309,785)
Release of exchange fluctuation reserve upon disposal of a subsidiary	<u>-</u>	<u>(15,993)</u>
	<b><u>(305,658)</u></b>	<b><u>(325,778)</u></b>
Other comprehensive income/(expenses) that will not be reclassified to profit or loss in subsequent periods:		
Equity investment designated at fair value through other comprehensive income:		
Change in fair value	<b>(8,360)</b>	11,824
Income tax effect	<u>1,432</u>	<u>(1,437)</u>
	<b><u>(6,928)</u></b>	<b><u>10,387</u></b>
<b>OTHER COMPREHENSIVE EXPENSES FOR THE YEAR, NET OF TAX</b>	<b><u>(312,586)</u></b>	<b><u>(315,391)</u></b>
<b>TOTAL COMPREHENSIVE EXPENSES FOR THE YEAR</b>	<b><u>(1,042,468)</u></b>	<b><u>(644,212)</u></b>
Attributable to:		
Equity holders of the Company	<b>(828,248)</b>	(530,656)
Non-controlling interests	<b><u>(214,220)</u></b>	<b><u>(113,556)</u></b>
	<b><u>(1,042,468)</u></b>	<b><u>(644,212)</u></b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 December 2024

		2024	2023
	<i>Notes</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>4,819,400</b>	5,679,602
Right-of-use assets		<b>721,844</b>	807,247
Deferred tax assets		<b>6,775</b>	7,102
Prepayments for acquisition of property, plant and equipment		<b>164,840</b>	7,974
Investment in an associate		-	-
Equity investment designated at fair value through other comprehensive income		<b>16,767</b>	25,236
Total non-current assets		<b><u>5,729,626</u></b>	<b><u>6,527,161</u></b>
<b>CURRENT ASSETS</b>			
Inventories		<b>1,048,338</b>	1,538,625
Trade receivables	9	<b>2,117,978</b>	2,486,447
Prepayments, deposits and other receivables		<b>210,128</b>	178,093
Pledged and restricted bank balances		<b>107,029</b>	111,876
Cash and cash equivalents		<b>1,028,404</b>	1,221,852
		<b>4,511,877</b>	5,536,893
Non-current assets classified as held for sale		<b>100,956</b>	91,460
Total current assets		<b><u>4,612,833</u></b>	<b><u>5,628,353</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	10	<b>824,411</b>	890,797
Other payables and accruals		<b>1,048,459</b>	1,077,187
Lease liabilities		<b>1,064</b>	133,100
Tax payable		<b>4,615</b>	39,189
Derivative financial instruments		<b>2,442</b>	-
Interest-bearing bank and other borrowings	1	<b>2,632,900</b>	2,539,139
Total current liabilities		<b><u>4,513,891</u></b>	<b><u>4,679,412</u></b>
<b>NET CURRENT ASSETS</b>		<b><u>98,942</u></b>	<b><u>948,941</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>5,828,568</u></b>	<b><u>7,476,102</u></b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (continued)  
*31 December 2024*

	<i>Notes</i>	<b>2024</b> <b><i>HK\$'000</i></b>	2023 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	1	<b>7,488</b>	597,475
Deferred income		<b>39,028</b>	40,922
Lease liabilities		<b>7,572</b>	9,265
Deferred tax liabilities		<b>60,156</b>	71,648
Total non-current liabilities		<u><b>114,244</b></u>	<u>719,310</u>
<b>Net assets</b>		<u><b>5,714,324</b></u>	<u>6,756,792</u>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Issued capital	11	<b>120,001</b>	120,001
Reserves		<b>4,517,195</b>	5,345,443
		<u><b>4,637,196</b></u>	<u>5,465,444</u>
<b>Non-controlling interests</b>		<u><b>1,077,128</b></u>	<u>1,291,348</u>
<b>Total equity</b>		<u><b>5,714,324</b></u>	<u>6,756,792</u>

## NOTES

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

This financial information has 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 ("HKICPA") 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 an equity investment designated at fair value through other comprehensive income which have been measured at fair value. Non-current assets classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. This financial information is presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

As at 31 December 2024, the Group has interest-bearing bank and other borrowings of approximately HK\$2,640,388,000, which includes a syndicated bank loan of approximately HK\$1,020,026,000 classified as current liability due to the non-compliance of two of the loan covenants, namely the leverage ratio and the interest coverage ratio, at the end of the reporting period. Subsequent to the end of the reporting period, the Group obtained a written consent from the relevant banks, offering the Group with a one-off waiver on these loan covenants. According to the facility agreement of the syndicated bank loan, the Group is required to report to the syndicate of banks its compliance with loan covenants as at 30 June and 31 December during the loan period until 2029. In order to improve the Group's financial position and liquidity, the directors of the Company have formulated a number of measures, including but not limited to the following:

- the Group has a history of successful rollover of revolving loans. The Group will continue to negotiate with banks to refinance and extend existing bank and other borrowing facilities, and to obtain new sources of financing by pledging certain of the Group's land and properties, if needed;
- the Group has approximately HK\$1,743,267,000 of unutilised revolving loan facility available to finance the Group's existing financial obligations and operations; and
- as at 31 December 2024, according to the sale and purchase agreements entered into by the Group and various purchasers in relation to the Group's disposal of certain land and buildings classified as non-current assets held for disposal, the Group has approximately HK\$501,151,000 outstanding proceeds amounts from such disposals. The Group will continue to pursue these outstanding amounts, of which approximately HK\$84,933,000 has been received after the end of the reporting period.

Taken into account the above measures, the directors of the Company consider that the Group would have adequate resources to meet its liabilities, commitments and funding requirements as and when they fall due within twelve months from 31 December 2024 and hence the Group adopted the going concern basis in preparing the consolidated financial statements.

## 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the above revised HKFRSs has had no significant financial effect on this financial information. Other than above mentioned, the accounting policies adopted in the preparation of the financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023.

## 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

(i) Revenue from external customers:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
The People's Republic of China (the "PRC" or "Mainland China"), excluding Hong Kong	5,417,093	6,495,182
Others	609,227	440,874
	<u>6,026,320</u>	<u>6,936,056</u>

The revenue information above is based on the locations where the products are delivered to the customers.

During the years ended 31 December 2024 and 31 December 2023, except for the revenue from external customers in the PRC, the Group's revenue derived from each of other locations was less than 10% of the Group's revenue.

(ii) Non-current assets:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
The PRC, excluding Hong Kong	4,952,120	6,031,433
The Socialist Republic of Vietnam (the "Vietnam")	610,284	307,987
The Republic of China (the "ROC")	142,685	152,973
Others	995	2,430
	<u>5,706,084</u>	<u>6,494,823</u>

The non-current assets information above, excluding an equity investment designated at fair value through other comprehensive income and deferred tax assets, is based on the locations of the assets.

## 2. OPERATING SEGMENT INFORMATION (continued)

### Information about major customers

Revenues of approximately HK\$1,325,689,000, HK\$1,314,717,000, HK\$954,772,000 and HK\$668,830,000 for the year ended 31 December 2024 were derived from sales to four major groups of customers, the revenue from each of which accounted for 10% or more of the Group's revenue.

Revenues of approximately HK\$1,659,793,000, HK\$1,441,042,000, HK\$1,033,489,000, HK\$793,395,000 and HK\$745,026,000 for the year ended 31 December 2023 were derived from sales to five major groups of customers, the revenue from each of which accounted for 10% or more of the Group's revenue.

## 3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Revenue from contracts with customers</b>		
Sale of casings for notebook computer and handheld devices	<b><u>6,026,320</u></b>	<b><u>6,936,056</u></b>
<b>Revenue from contracts with customers</b>		
(i) <i>Disaggregated revenue information</i>		
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Geographical markets</b>		
The PRC, excluding Hong Kong	5,417,093	6,495,182
Others	<b><u>609,227</u></b>	<u>440,874</u>
	<b><u>6,026,320</u></b>	<b><u>6,936,056</u></b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	<b><u>6,026,320</u></b>	<b><u>6,936,056</u></b>

(ii) *Performance obligation*

*Sale of casings for notebook computer and handheld devices*

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 60 to 120 days from delivery.



### 3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of other income and gains is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Other income and gains</b>		
Interest income	<b>33,794</b>	28,167
Subsidy income <sup>#</sup>	<b>19,346</b>	38,268
Compensation income	<b>22,431</b>	23,054
Dividend income	-	334
Gross rental income	<b>21,185</b>	22,803
Reversal of impairment of trade receivables	<b>1,009</b>	1,574
Write-off of long outstanding trade payables	<b>84</b>	-
Write-off of long outstanding other payables and accruals	<b>958</b>	2,110
Gain on disposal of items of property, plant and equipment and right-of-use assets, net	<b>15,951</b>	-
Gain on disposal of non-current assets classified as held for sale <sup>*</sup>	<b>39,203</b>	-
Gain on disposal of a subsidiary	-	42,507
Gain on modification of a lease	-	7,375
Foreign exchange gains, net	<b>145,114</b>	111,780
Others	<b>2,422</b>	1,654
	<b>301,497</b>	279,626

<sup>#</sup> Various government subsidies have been received for enterprises engaged in businesses in Mainland China for promoting the manufacturing industry. There are no unfulfilled conditions or contingencies relating to these subsidies.

<sup>\*</sup> Pursuant to the Group's relocation of certain production plants in Suzhou, the PRC, due to the urban planning, the Group disposed of certain of its items of property, plant and equipment and right-of-use assets included in the non-current assets classified as held for sale, and recognised a gain on disposal during the year.

#### 4. FINANCE COSTS

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank and other borrowings	195,818	223,616
Interest on lease liabilities	<u>271</u>	<u>433</u>
Total interest expense on financial liabilities not at fair value through profit or loss	196,089	224,049
Less: Interest capitalised	<u>(13,361)</u>	<u>(9,487)</u>
	<b><u>182,728</u></b>	<b><u>214,562</u></b>

#### 5. LOSS BEFORE TAX

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Cost of inventories sold	5,853,135	6,428,556
Depreciation of property, plant and equipment	654,830	812,325
Depreciation of right-of-use assets	19,992	21,825
Provision/(reversal of provision) for inventories, net	104,829	(40,518)
Reversal of impairment of trade receivables**	(1,009)	(1,574)
Write-off of trade receivables	957	4,729
Loss/(gain) on disposal of items of property, plant and equipment and right-of-use assets, net	(15,951)	2,344
Loss/(gain) on disposal of non-current assets classified as held for sale	(39,203)	964
Foreign exchange gains, net	(145,114)	(111,780)
Impairment of property, plant and equipment***	303,596	45,000
Fair value losses on derivative financial instruments, net		
- Realised losses	-	15,855
- Unrealised losses	<u>2,450</u>	<u>-</u>

\*\* Included in "Other income and gains" on the face of the consolidated statement of profit or loss.

\*\*\* Included in "Other expenses" on the face of the consolidated statement of profit or loss.

## 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 year ended 31 December 2024 (2023: Nil). Taxes on assessable profits 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.

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Provision for the year:		
Current – The PRC, excluding Hong Kong		
Charge for the year	<b>26,480</b>	162,464
Underprovision in prior years	<b>786</b>	4,916
Current – Overseas		
Charge for the year	<b>16,980</b>	18,754
Overprovision in prior years	<b>(32,063)</b>	(27,469)
Deferred tax	<b>(9,862)</b>	3,511
Total tax charge for the year	<b><u>2,321</u></b>	<u>162,176</u>

## 7. DIVIDENDS

The Board has resolved not to recommend any payment of a final dividend for the year ended 31 December 2024 (2023: Nil).

## 8. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the year attributable to equity holders of the Company of approximately HK\$529,890,000 (2023: approximately HK\$230,815,000) and the weighted average number of 845,662,671 (2023: 845,662,671) ordinary shares in issue excluding shares held under the share award plan during the year.

For the years ended 31 December 2024 and 2023, no adjustment has been made to the basic loss per share amounts presented in respect of a dilution as the impact of share options outstanding had no dilutive effect on the basic loss per share amounts presented.

## 9. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	2,120,561	2,490,039
Impairment	<u>(2,583)</u>	<u>(3,592)</u>
	<b><u>2,117,978</u></b>	<b><u>2,486,447</u></b>

The general credit terms of the Group range from 60 to 120 days. Trade receivables are non-interest-bearing. The Group does not hold any collateral or other credit enhancements over these balances.

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 3 months	1,315,604	1,440,992
4 to 6 months	764,878	1,019,371
7 to 12 months	<u>37,496</u>	<u>26,084</u>
	<b><u>2,117,978</u></b>	<b><u>2,486,447</u></b>

## 10. TRADE AND BILLS PAYABLES

The trade payables are non-interest-bearing and are normally settled on terms of 60 to 120 days.

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 3 months	526,832	567,760
4 to 6 months	274,330	292,661
7 to 12 months	15,297	18,814
Over 1 year	<u>7,952</u>	<u>11,562</u>
	<b><u>824,411</u></b>	<b><u>890,797</u></b>

## 11. SHARE CAPITAL

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Authorised: 2,000,000,000 shares of HK\$0.1 each	<b><u>200,000</u></b>	<b><u>200,000</u></b>
Issued and fully paid: 1,200,008,445 (2023: 1,200,008,445) shares of HK\$0.1 each	<b><u>120,001</u></b>	<b><u>120,001</u></b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review & Prospects

Looking back at the year ended 31 December 2024 (the “Year”), as the geopolitical risks have intensified, the trade restrictions and barriers have increased frequently, commodity prices have continued to fluctuate, and the global economic growth has tended to diverge, the personal computer (“PC”) market has also shown regional differences. Benefiting from the wave of computer replacement brought by the operating system iteration and technological updates, the global PC market has moderately rebounded. According to the report released by Gartner, Inc., a market research organization, the global PC shipments in 2024 reached 245 million units, representing an increase of 1.3% as compared with that of 2023. However, the recovery trajectory of the PC market in China was not consistent with the global trend. According to the survey report released by Canalys, a market research organization, due to the increased economic uncertainties and increasingly cautious PC spending from consumers and private enterprises, the PC shipments in the domestic market of China had experienced a sharp decline of 12% in the first quarter of 2024, and the recovery of market demand was slow. The persistence of macroeconomic uncertainties and the differentiation of market recovery speed have further exacerbated the operation pressures on enterprises, which in turn posed challenges to the business environment.

As one of the world’s leading notebook computer casing manufacturers, notebook computers and 2-in-1 computer casings remained as the Group’s major source of revenue. Looking back at the Year, although the global PC market has shown moderate growth, major computer brand manufacturers gradually shifted their production lines to the Southeast Asian region due to the relatively low cost of production and trade tariff, which has in turn impacted the demand for production capacities of notebook computer casings located in China. The Group recorded revenue of approximately HK\$6,026 million (2023: approximately HK\$6,936 million) for the Year, representing a decrease of approximately 13.1% as compared with that of last year. During the Year, despite the fact that the Group actively optimized its business strategies, controlled costs, and responded to market challenges by optimizing its existing resources, the Group’s gross profit margin during the Year decreased to approximately 2.9% (2023: approximately 7.3%) mainly as a result of low utilization rates of production capacity. Due to a decline in sales revenue and low utilization rates of production capacity, the Group recorded a substantial increase in impairment of property, plant and equipment of approximately HK\$304 million (2023: approximately HK\$45 million). Mainly as a result of the foregoing, the Group recorded an increase in loss attributable to equity holders of the Company to approximately HK\$530 million for the Year (2023: approximately HK\$231 million).

During the Year, the governments of major economies around the world have been in election and transition, leading to increased uncertainties in their domestic and foreign economic policies. Coupled with the intensified geopolitical situation, and the frequent global trade friction, the trend of diversification and decentralization of supply chains has become increasingly pronounced. In order to effectively diversify the risks of a single market, the Group has adhered to the operation strategy of diversifying its supply chain and active optimization of the allocation of domestic and foreign resources, including gradually increasing its procurement of production plant equipment for Vietnam and accelerating the relocation of some production capacity to Vietnam, so as to enhance the ability to fulfil Southeast Asian business demands. To this end, following the previous acquisition of the land use right to several plots of land in Vietnam for the construction of production plants in 2021 and 2022, Ju Teng Electronic Technology (Vietnam) Limited, an indirect, non-wholly-owned subsidiary of the Company, entered into several procurement contracts during the Year to purchase facilities and equipment for the Vietnam production plants to implement the next step in the Group’s business development plans in Vietnam and for facilitating the production of the Group there. At the same time, the Group has also focused on the efficient integration of domestic resources, and has continued to implement the orderly merger of factories during the Year, striving to improve the efficiency of capacity utilization. Barring any unforeseen circumstances, it is expected that more results from optimizing the resource allocation will materialize in 2025. The Group will continue to closely monitor market changes and allocate resources reasonably, so as to reduce its operating costs and improve its production flexibility.

Looking forward to 2025, opportunities and challenges will coexist in the sales of notebook computer casing, as the prospects for the global PC market are still unclear. According to the market expectations, there will be a wave of computer replacement in 2025, including a large number of PC devices purchased for the education market during the early years of the COVID-19 pandemic due to social distance restrictions have entered the replacement cycle. However, the lower budget also means that the update period will be distributed over many years, bringing stable and sustained demand to the market. Secondly, as Microsoft will discontinue support for the Windows 10 operating system in October 2025, users have gradually replaced their computers to avoid potential security risks caused by outdated operating systems. Such trend has already been reflected in the fourth quarter of 2024: according to the latest data released by Canalys, the global PC market shipments in the fourth quarter of 2024 achieved the year-on-year growth of 5.0%. It is expected that the PC shipments will further increase with the impending deadline of Windows 10 operating system services, providing growth momentum for the PC market. However, as the governments of major economies have been in election and transition, market concerns about the possibility of implementing new tariffs and increasing existing tariffs remain, and there are still uncertainties in the development of the PC market.

Moreover, it is expected that technological innovation will bring growth momentum into the PC market. As major global computer brands accelerated the launch of PCs equipped with AI technologies (“AI PC”), coupled with their advantages of powerful performance, significantly improved user interaction experience and work efficiency, it further stimulates consumer demands for computer replacement. According to Canalys, in the third quarter of 2024 alone, the global shipments of computers equipped with AI configurations reached 13.3 million units, accounting for 20% of the total PC shipments in that quarter. International Data Corporation, a market research organization, also believed that even if the turning point of the AI PC market appears later, the impact of AI PC on the PC industry will still be positive. AI PC contains tremendous commercial potential and will effectively promote the continuous improvement of PC values. The Group will closely monitor market changes, and flexibly adjust its operational strategies and resource allocation, so as to achieve long-term development in the wave of computer replacement driven by technological innovation.

Despite certain market demands being suppressed by the current macroeconomic environment, the Group remains cautiously optimistic about the future development of the PC market. With the gradual recovery of the global economy, incentive measures introduced in various countries to boost consumption, the wave of computer replacement brought by technological innovation, we expect that the recovery of market demands will inject new impetus into the Group’s business development. As one of the world’s leading notebook computer casing manufacturers, the Group will continue to closely monitor the structural changes in the PC market, flexibly adjust its diversified market layout strategies, and enhance its supply chain resilience and overall operational efficiency. At the same time, the Group will actively seize potential opportunities in the macroeconomic and industry cycles, continuously improve its operational performances, and create greater value for its shareholders and investors.

## **Financial Review**

### *Revenue and Gross Profit Margin*

During the Year, the Group’s overall performance was under pressure mainly due to economic uncertainties and weak customers’ demand for production capacities of notebook computer casing located in China as major computer brand manufacturers gradually shifted their production lines to the Southeast Asian region, the Group’s revenue decreased by approximately 13.1% as compared with that of 2023 to approximately HK\$6,026 million (2023: approximately HK\$6,936 million). As the demand for the Group’s products slowed down during the Year, the Group took time to adjust the production scale in China and have begun to shift certain production capacities to Vietnam and therefore was not able to achieve economies of scale, resulting in a decline in gross profit margin. The Group’s gross profit margin during the Year decreased to approximately 2.9% (2023: approximately 7.3%).

### *Other income and gains*

During the Year, other income and gains of the Group mainly consisted of foreign exchange gains, mainly resulting from the translation of trade receivables denominated in USD, of approximately HK\$145 million (2023: approximately HK\$112 million) arising from the depreciation of RMB against USD, gain on disposal of items of property, plant and equipment and right-of-use assets, net of approximately HK\$ 16 million (2023: loss on disposal of approximately HK\$2 million), gain on disposal of non-current assets classified as held for sale of approximately HK\$39 million (2023: loss on disposal of approximately HK\$1 million), compensation income of approximately HK\$22 million (2023: approximately HK\$23 million), subsidy income of approximately HK\$19 million (2023: approximately HK\$38 million), interest income of approximately HK\$34 million (2023: approximately HK\$28 million) and gross rental income of approximately HK\$21 million (2023: approximately HK\$23 million).

Due to a gain on disposal of non-current assets classified as held for sale of approximately HK\$39 million, and gain on disposal of items of property, plant and equipment and right-of-use assets, net of approximately HK\$16 million recognised during the Year and an increase in foreign exchange gains to approximately HK\$145 million for the Year from approximately HK\$112 million during the year ended 31 December 2023, which offset the absence of the gain on disposal of a subsidiary during the Year as compared with a gain of approximately HK\$43 million recognised in the year ended 31 December 2023, the Group recorded an increase of approximately 7.8% in other income and gains during the Year as compared with that of 2023 to approximately HK\$301 million (2023: approximately HK\$280 million), accounting for approximately 5.0% (2023: approximately 4.0%) of the Group's revenue.

### *Operating costs*

During the Year, the Group recorded an increase of approximately 6.3% in operating costs, including administrative expenses and selling and distribution expenses, as compared with that of 2023 to approximately HK\$706 million (2023: approximately HK\$664 million). The increase in the operating costs was mainly attributable to the increase in staff costs, transportation expenses and pre-operating expenses of the production plant in Vietnam. The operating costs of the Group as a percentage of the Group's revenue increased to approximately 11.7% (2023: approximately 9.6%).

### *Other expenses*

During the Year, other expenses of the Group mainly consisted of impairment of property, plant and equipment of approximately HK\$292 million (2023: approximately HK\$45 million) as a result of the decline in sales revenue and low utilization rates of production capacity, impairment of property, plant and equipment of approximately HK\$12 million (2023: nil) upon the transfer of certain land and properties to non-current assets classified as held for sale, and fair value losses on derivative financial instruments (i.e. the forward foreign exchange contracts) amounted to approximately HK\$2 million (2023: approximately HK\$16 million). Due to the substantial increase in impairment of property, plant and equipment, the Group recorded an increase of approximately 317.7% in other expenses during the Year as compared with that of 2023 to approximately HK\$314 million (2023: approximately HK\$75 million), accounting for approximately 5.2% (2023: approximately 1.1%) of the Group's revenue.

### *Finance costs*

Finance costs of the Group decreased by approximately 14.8% as compared with that of 2023 to approximately HK\$183 million (2023: approximately HK\$215 million) for the Year, which was mainly attributable to the decrease in interest rate of USD borrowings of the Group and repayment of certain bank borrowings during the Year. Interest capitalized during the Year was approximately HK\$13 million (2023: approximately HK\$9 million).

### *Income tax expenses*

As deferred tax assets have not been recognised for certain tax losses incurred by certain subsidiaries and impairment of property, plant and equipment, and no withholding tax (2023: approximately HK\$106 million) was incurred on dividends distributed by certain subsidiaries located in the PRC in the Year, the Group's income tax expenses amounted to approximately HK\$2 million (2023: approximately HK\$162 million) for the Year.

### *Loss attributable to equity holders of the Company*

The loss attributable to equity holders of the Company for the Year amounted to approximately HK\$530 million (2023: approximately HK\$231 million). The increase in loss attributable to equity holders of the Company was mainly attributable to the decrease in revenue and gross profit, and substantial increase in impairment of property, plant and equipment included in other expenses, as discussed above.

### **Liquidity and Financial Resources**

As at 31 December 2024, total bank and other borrowings of the Group amounted to approximately HK\$2,640 million (31 December 2023: approximately HK\$3,137 million), representing a decrease of approximately 15.8% as compared with that as at 31 December 2023. The Group's bank and other borrowings were at floating interest rates and included short-term loans with 1-year maturity, 2-year term loans and 5-year syndicated loans. As at 31 December 2024, the Group's bank and other borrowings denominated in USD, New Taiwan dollars and RMB were approximately HK\$2,526 million (31 December 2023: approximately HK\$2,735 million), approximately HK\$17 million (31 December 2023: approximately HK\$20 million) and approximately HK\$97 million (31 December 2023: approximately HK\$382 million), respectively.

During the Year, despite the increase in the Group's loss before tax, the Group's net cash flows from operating activities increased to approximately HK\$741 million from approximately HK\$598 million in 2023, which was mainly attributable to the decrease in inventories and trade receivables. As a result of the purchase of manufacturing facilities and equipment for installation in the new production plant in Vietnam during the Year, the Group recorded a net cash outflow from investing activities of approximately HK\$332 million (2023: approximately HK\$112 million) during the Year. During the Year, due to the repayment of certain bank borrowings, the Group recorded a net cash outflow from financing activities of approximately HK\$585 million (2023: approximately HK\$962 million). As at 31 December 2024, the Group had cash and bank balances of approximately HK\$1,028 million (31 December 2023: approximately HK\$1,222 million).

As at 31 December 2024, the Group's gearing ratio, calculated as total bank and other borrowings of approximately HK\$2,640 million (31 December 2023: approximately HK\$3,137 million) divided by total assets of approximately HK\$10,342 million (31 December 2023: approximately HK\$12,156 million), decreased slightly to approximately 25.5% (31 December 2023: approximately 25.8%), which was mainly due to the decrease in total bank and other borrowings as at 31 December 2024 as compared with that as at 31 December 2023.

### **Financial Ratios**

Inventory turnover days of the Group during the Year decreased to approximately 66 days (2023: approximately 87 days) mainly due to the Group's effort in inventory reduction in response to the decline in revenue. As at 31 December 2024, there was a decrease in the Group's inventories of approximately 31.9% to approximately HK\$1,048 million (31 December 2023: approximately HK\$1,539 million).



Trade receivables turnover days of the Group during the Year remained stable at approximately 129 days (2023: approximately 131 days). Trade receivables as at 31 December 2024 decreased by approximately 14.8% to approximately HK\$2,118 million, as compared with approximately HK\$2,486 million as at 31 December 2023.

Trade and bills payables turnover days of the Group during the Year remained stable as approximately 52 days (2023: approximately 51 days). As at 31 December 2024, there was a decrease in the Group's trade and bills payables of approximately 7.5% to approximately HK\$824 million (31 December 2023: approximately HK\$891 million).

### **Pledge of Assets**

As at 31 December 2024, certain land and buildings of the Group with a net carrying amount of approximately HK\$19 million (31 December 2023: approximately HK\$20 million) were pledged to secure certain 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 RMB will have adverse effect on the Group's profitability and vice versa. 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. During the Year, the Group recorded foreign exchange gains, net of approximately HK\$145 million (2023: approximately HK\$112 million) and fair value losses on derivative financial instruments, net of approximately HK\$2 million (2023: approximately HK\$16 million). The management of the Group will continue to monitor the Group's foreign currency risk exposures and adopt prudent measures as appropriate to minimise the adverse effects arising from the foreign currency fluctuations.

### **Employees**

During the Year, the Group had approximately 20,000 employees (2023: approximately 23,000 employees) and recorded staff costs (excluding directors' remuneration) of approximately HK\$1,844 million (2023: approximately HK\$1,856 million).

The Group's employees are remunerated in line with 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 and ROC employees with welfare schemes as required by the applicable laws and regulations of the PRC and ROC.

### **Capital Commitment**

As at 31 December 2024, the capital commitments which the Group had contracted for but were not provided for in the financial information in respect of the acquisition of buildings, machinery and office equipment amounted to approximately HK\$263 million (31 December 2023: approximately HK\$253 million).

### **Contingent Liabilities**

As at 31 December 2024, 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 had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Year.

## **FINAL DIVIDEND**

The Board does not recommend any payment of a final dividend for the Year (2023: Nil).

## **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 Part 2 of Appendix C1 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 Board 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 Year.

### **Code Provisions C.2.1**

Pursuant to code provision C.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. With effect from 16 March 2022, Mr. Cheng Li-Yu assumed both roles as the chairman of the Board and the chief executive officer of the Company. The Board believes that having the same individual serving both roles as chairman of the Board and the chief executive officer of the Company would allow the Group to be managed under a consistent leadership and the overall strategy of the Group to be more effectively formulated and executed.

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

### **Code Provisions C.1.6 and F.2.2**

Pursuant to code provision F.2.2 of the CG Code, among others, the chairman of the Board should invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, the chairman should invite another member of the committee or failing this their duly appointed delegates to attend. Pursuant to Code provision C.1.6 of the CG Code, among others, independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders.

During the year ended 31 December 2024, (a) independent non-executive Directors Mr. Cherng Chia-Jiun (who is also the chairman of the audit committee and remuneration committee of the Board) and Mr. Yip Wai Ming (who is also the chairman of corporate governance committee of the Board) were unable to attend the annual general meeting of the Company held on 16 May 2024 (the “**AGM**”) due to other business commitments, and members of the audit committee, remuneration committee and corporate governance committee of the Board were present at the AGM to answer questions; and (b) Mr. Tsai Wen-Yu, an independent non-executive Director who retired on 16 May 2024, was unable to attend the extraordinary general meeting held on 13 March 2024 and the AGM due to prior business commitments.

## **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 C3 to the Listing Rules. Having made specific enquiry of all Directors, the Company is satisfied that all the Directors had fully complied with the required standards set out in the Model Code and the code of conduct of the Company for the Year.

## **EVENTS AFTER THE REPORTING PERIOD**

There is no event that will have material impact on the Group since the end of the Year to the date of this announcement.

## **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 information and results of the Group for the Year.

## **SCOPE OF WORK OF ERNST & YOUNG**

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on this announcement.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT**

This annual 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 2024 annual 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 and Chief Executive Officer*

Hong Kong, 28 March 2025

*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. Yip Wai Ming, Mr. Yuen Chi Ho and Dr. Chuang Shu-Hui.*