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JETE POWER HOLDINGS LIMITED

鑄能控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8133)

SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the announcement of Jete Power Holdings Limited (the “**Company**”) dated 6 February 2020 in relation to the Disposal (the “**Announcement**”). Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

The Company would like to provide supplemental information to the Announcement as follows:

INFORMATION ABOUT THE PURCHASER

The Purchaser is Ding Houqing, an individual who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is an Independent Third Party.

INFORMATION ABOUT THE SALE LOAN

The Sale Loan represents the unsecured interest-free financial assistance provided by the Company to the Target Group for the Entertainment Business.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company. The Group is principally engaged in the manufacturing of metal casting parts and components in the PRC and provision of financial printing services in Hong Kong.

As disclosed in the Announcement, the Target Group recorded an increase in loss before tax from approximately HK\$1.04 million for the year ended 31 December 2018 to approximately HK\$4.27 million for the year ended 31 December 2019, representing a significant increase in loss of approximately 310.58%. The revenue of the Target Group dropped from approximately HK\$6.09 million for the year ended 31 December 2018 to approximately HK\$4.14 million for the year ended 31 December 2019, representing a decrease of approximately 32.0%. Such increase in loss and decrease in revenue were mainly attributable to the recent social unrest, low sentiment and the downward pressure on economic growth in Hong Kong since the

* *For identification purpose only*

third quarter of 2019. Some events and concerts have been either cancelled or re-scheduled. Together with the recent outbreak of the Severe Respiratory Disease associated with a Novel Infectious Agent, the Directors expects that such unfavorable and uncertain market conditions in the Entertainment Business shall persist for a period of time.

Given (i) the continuous loss-making position of the Target Group; (ii) the liabilities of the Target Group (excluding the Sale Loan) exceeded its assets, which mainly represents certain deposits, receivables and cash and cash equivalents, by approximately HK\$1.00 million as at 31 January 2020; and (iii) the unfavorable and uncertain market conditions in the Entertainment Business faced by the Target Group, the Company considers that the Target Group is not likely able to repay the Sale Loan and the Disposal can prevent the Group from suffering further losses and cash outflow for the non-performing Entertainment Business and it is a good opportunity for the Company to streamline the Group's structure and better utilize the Company's financial resources.

Based on the above, the Directors consider that the terms of the Disposal Agreement (including the Disposal Consideration) are on normal commercial terms, and fair and reasonable, and that the Disposal is in the interests of the Company and the Shareholders as a whole.

Saved as disclosed above, all other information contained in the Announcement remains unchanged.

By order of the Board
Jete Power Holdings Limited
Choi Chiu Ming Jimmy
Chairman and Executive Director

Hong Kong, 11 February 2020

As at the date of this announcement, the executive Director is Mr. Choi Chiu Ming Jimmy, and the independent non-executive Directors are Ms. Leung Shuk Lan, Mr. Tang Yiu Wing and Mr. Wong Ka Shing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain at www.hkgem.com on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the Company website at www.jetepower.com.