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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)

DISCLOSEABLE TRANSACTION IN RELATION TO THE TENANCY AGREEMENTS

THE TENANCY AGREEMENTS

The Board is pleased to announce that on 31 December 2020, Solomon Financial Press Limited, an indirect non-wholly owned subsidiary of the Company, entered into the Tenancy Agreements as tenant with Circle Property, an Independent Third Party, as landlord in respect of the leasing of the Premises for a term of two years commencing from 1 November 2020 to 31 October 2022 (both days inclusive) for the operation of the Group's financial printing business.

IMPLICATIONS UNDER THE GEM LISTING RULES

According to HKFRS 16, the Group, if entering into lease transaction as a lessee should recognize the Premises as the right-of-use asset in the consolidated financial statements of the Company. As such, the entering into the Tenancy Agreements and the transactions contemplated there under will be regarded as an acquisition of asset by the Group under the definition of transaction as set out in Rule 19.04(1)(a) of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Tenancy Agreements exceeds 5% but less than 25%, the Tenancy Agreements constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements but exempt from Shareholders' approval requirement under the GEM Listing Rules.

* *For identification purpose only*

INTRODUCTION

The board of directors (the “**Directors**”) of Jete Power Holdings Limited (the “**Company**”) hereby announces that on 31 December 2020, Solomon Financial Press Limited, an indirect non-wholly owned subsidiary of the Company, entered into the Tenancy Agreements as tenant with Circle Property, an Independent Third Party, as landlord in respect of the leasing of the Premises for a term of two years commencing from 1 November 2020 to 31 October 2022 (both days inclusive) for the operation of the Group’s financial printing business.

KEY TERMS OF THE FIRST TENANCY AGREEMENT

Date:	31 December 2020
Parties:	(i) Circle Property Development Limited, an Independent Third Party, as the landlord (ii) Solomon Financial Press Limited, an indirect non-wholly owned subsidiary of the Company, as the tenant
First Premises:	Room 1703, World-Wide House, 19 Des Voeux Road Central, Hong Kong
Term:	Two years commencing on 1 November 2020 and expiring on 31 October 2022 (both days inclusive)
Monthly rental:	The rent shall be HK\$285,480 per calendar month (exclusive of rates, management fees and air-conditioning charges and other outgoings) and paid monthly in advance on the first day of each calendar month.
Rent free period:	Under the First Tenancy Agreement, the tenant shall enjoy a five months’ rent-free period during the term. During the rent-free period, the management fee and other relevant expenses should be borne by the tenant.
Rates:	The tenant shall pay rates charged on the Premises as assessed by the government of Hong Kong from time to time.
Total consideration payable:	HK\$5,424,120 (exclusive of rates, management fees and air-conditioning charges and other outgoings)

The rent payable by the tenant under the First Tenancy Agreement was determined after arm’s length negotiations between the landlord and the tenant with reference to the prevailing market rent for properties of similar use, floor area and location.

The monthly rental and the stamp duty will be paid through the Group’s internal source of funding.

KEY TERMS OF THE SECOND TENANCY AGREEMENT

Date:	31 December 2020
Parties:	(i) Circle Property Development Limited, an Independent Third Party, as the landlord (ii) Solomon Financial Press Limited, an indirect non-wholly owned subsidiary of the Company, as the tenant
Second Premises:	Room 1704, World-Wide House, 19 Des Voeux Road Central, Hong Kong
Term:	Two years commencing on 1 November 2020 and expiring on 31 October 2022 (both days inclusive)
Monthly rental:	The rent shall be HK\$243,540 per calendar month (exclusive of rates, management fees and air-conditioning charges and other outgoings) and paid monthly in advance on the first day of each calendar month.
Rent free period:	Under the Second Tenancy Agreement, the tenant shall enjoy a five months' rent-free period during the term. During the rent-free period, the management fee and other relevant expenses should be borne by the tenant.
Rates:	The tenant shall pay rates charged on the Premises as assessed by the government of Hong Kong from time to time.
Total consideration payable:	HK\$4,627,260 (exclusive of rates, management fees and air-conditioning charges and other outgoings)

The rent payable by the tenant under the Second Tenancy Agreement was determined after arm's length negotiations between the landlord and the tenant with reference to the prevailing market rent for properties of similar use, floor area and location.

The monthly rental and the stamp duty will be paid through the Group's internal source of funding.

RIGHT-OF-USE ASSETS

Pursuant to HKFRS 16, the tenancy of the Premises will be recognized as right-of-use assets for an amount of approximately HK\$9,557,000, which is calculated with reference to the present value of the aggregated lease payments to be made under the Tenancy Agreements.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE TENANCY AGREEMENTS

The Group is principally engaged in (i) the manufacturing and trading of metal casting parts and components; and (ii) the financial printing business in Hong Kong (the “**Financial Printing Business**”).

The Group is currently leasing the Premises for the Group’s Financial Printing Business and the current tenancy agreements of the Premises were expired in October 2020. The Directors consider it is in the interest of the Company to renew the tenancy by entering into the Tenancy Agreements to continue its operation at the Premises.

The terms of the Tenancy Agreements were arrived after arm’s length negotiations and the rental was determined after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises.

The Directors considered that the transactions contemplated under the Tenancy Agreements was entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm’s length negotiations between the parties, and the terms of the transactions contemplated under the Tenancy Agreements were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

Solomon Financial Press Limited

Solomon Financial Press Limited is a company incorporated in Hong Kong with limited liability, which is an indirect non-wholly owned subsidiary of the Company. Solomon Financial Press Limited is the operating entity for the Group’s Financial Printing business.

The Landlord

Circle Property is a company incorporated in Hong Kong with limited liability, which is principally engaged in property development, leasing and investment with over 30 years history in Hong Kong. To the best of the Director’s knowledge, information and belief, and having made all reasonable enquiries, Circle Property is ultimately beneficially owned by Mr. Tam Fung King and Circle Property and its ultimate beneficial owner is Independent Third Party.

IMPLICATIONS UNDER GEM LISTING RULES

According to HKFRS 16, the Group, if entering into lease transaction as a lessee should recognize the Premises as the right-of-use asset in the consolidated financial statements of the Company. As such, the entering into the Tenancy Agreements and the transactions contemplated thereunder will be regarded as an acquisition of asset by the Group under the definition of transaction set out in Rule 19.04(1)(a) of the GEM Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules in respect of the Tenancy Agreements exceeds 5% but less than 25%, the Tenancy Agreements constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements but exempt from Shareholders' approval requirement set out under the GEM Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Circle Property”	Circle Property Development Limited, a company incorporated in Hong Kong with limited liability, which is an Independent Third Party and the landlord of the Premises under the Tenancy Agreements
“Company”	Jete Power Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed and traded on the GEM of the Stock Exchange (Stock Code: 8133)
“Director(s)”	the director(s) of the Company
“First Premises”	Room 1703, World-Wide House, 19 Des Voeux Road Central, Hong Kong
“First Tenancy Agreement”	a formal tenancy agreement dated 31 December 2020 entered into between Solomon Financial Press Limited as tenant and Circle Property as landlord in relation to the renewal of the tenancy of the First Premises
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKFRS 16”	Hong Kong Financial Reporting Standards 16 “Leases” which includes standards and interpretations promulgated by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	any person or company and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is not a connected person of the Company and is a third party independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Premises”	collectively, the First Premises and the Second Premises
“Second Premises”	Room 1704, World-Wide House, 19 Des Voeux Road Central, Hong Kong
“Second Tenancy Agreement”	a formal tenancy agreement dated 31 December 2020 entered into between Solomon Financial Press Limited as tenant and Circle Property as landlord in relation to the renewal of the tenancy of the Second Premises
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	collectively, the First Tenancy Agreement and the Second Tenancy Agreement
“%”	per cent.

By Order of the Board
Jete Power Holdings Limited
Choi Chiu Ming Jimmy
Chairman and executive Director

Hong Kong, 31 December 2020

As at the date of this announcement, the executive Directors are Mr. Choi Chiu Ming Jimmy, Ms. Woo Lan Ying 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.