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MINTH GROUP LIMITED

敏實集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 425)

VOLUNTARY ANNOUNCEMENT JOINT VENTURE ON RADOME BUSINESS

This announcement is made on a voluntary basis by the Company to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The Board is pleased to announce that on 17 June 2020, Minth Investment (a wholly-owned subsidiary of the Company) and HELLA Holding entered into the Framework Agreement and the JV Contract, forming a strategic alliance between the JV Parties through the establishment of the JV Company for Radome related business and the terms and conditions in relation to the formation and management of the JV Company, respectively. Set out below is a summary of the principal terms of each of the Framework Agreement and the JV Contract.

JOINT VENTURE SUMMARY

In summary, under the Framework Agreement, the JV Parties intend to form a joint venture to design, develop, produce, test and sell automotive parts, primarily on Radomes and illuminated logos. Minth Investment shall first establish the PRC WFOE, contribute to the registered capital of the PRC WFOE and procure the PRC WFOE to acquire the Target Assets. After completion of the PRC WFOE's acquisition of Target Assets and satisfaction of other conditions provided in the Framework Agreement, HELLA Holding shall make contribution to the registered capital of the PRC WFOE. The salient terms of the Framework Agreement and JV Contract are set out below.

Date 17 June 2020

Parties Minth Investment and HELLA Holding

Registered Capital	The registered capital of the JV Company will be RMB144,000,000 (equivalent to approximately HK\$157,734,000).
Formation of the PRC WFOE	Minth Investment shall establish the PRC WFOE within two months from the date of the Framework Agreement and contribute RMB72,000,000 (equivalent to approximately HK\$78,867,000) to the registered capital of the PRC WFOE.
Capital Increase of the PRC WFOE	<p>Within five days after fulfillment of certain conditions, HELLA Holding shall contribute to the registered capital of the PRC WFOE.</p> <p>After HELLA Holding made its contribution, the PRC WFOE will become a JV Company and each of HELLA Holding and Minth Investment shall own 50% of equity interests therein.</p>
Business Scope	To design, develop, produce, test and sell automotive parts; the development of technology, consultation of technology, import and export of goods and technology.
Product Scope	The JV Company shall focus on Radomes including all current and future technology development levels; and illuminated logo/emblem/badges.
Market Scope	With the exception of the excluded business, the JV Company's market scope shall be all customers all over the world.
Composition of the board of directors of the JV Company	<p>The board of directors of the JV Company shall comprise six directors, of which:</p> <p>(a) three directors (including the chairman of the board) shall be nominated by HELLA Holding; and</p> <p>(b) three directors (including the vice chairman of the board) shall be nominated by Minth Investment.</p>

INFORMATION OF THE GROUP

Headquartered in the PRC, the Group is principally engaged in the design, manufacture and sale of trims, decorative parts, body structural parts, roof racks, battery housing and other related auto parts and supplies to many world-renowned international automakers. The Group has established over 30 production facilities in China and the Group also established production facilities in the US, Thailand, Mexico and Germany. For more information of the Group, please visit its official website at <http://www.minthgroup.com> (information that appears in that website does not form part of this announcement).

INFORMATION OF HELLA

HELLA is a global, family-owned company, listed on the Frankfurt Stock Exchange, with over 125 locations in some 35 countries. HELLA is one of the leading automotive suppliers. HELLA specializes in innovative lighting systems and vehicle electronics and has been an important partner to the automotive industry and aftermarket for more than a century. Furthermore, in its special applications segment, HELLA develops, manufactures and sells lighting and electronic products for specialist vehicles. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, HELLA and its ultimate owners are Independent Third Parties. For more information on the company, please visit its official website at hella.com/hella-com/index.html (information that appear in that website does not form part of this announcement).

REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT AND JV CONTRACT

The Group has been actively exploring possibilities to expand its automobile parts business. Having considered the latest trends in the automotive industry, the Group has decided to partner with HELLA Holding to produce and sell Radomes and related products in order to capture the growing business of ADAS (Advanced Driver Assistance System) related and illuminated decorative parts. The Directors are of the view that the formation of the JV Company in the PRC with HELLA Holding represents a strategic move for the Group and is expected to generate substantial synergy as the JV Parties will be able to collaborate and leverage on each other's unique resources.

The Directors are of the view that the terms of the JV Contract are fair and reasonable and taking into account of the prospect of the automobile industry in general. The Directors consider that the entering into of the JV Contract is in the interests of the Company and its shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors;
“Company”	Minth Group Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Framework Agreement”	the framework agreement dated 17 June 2020 entered into between Minth Investment and HELLA Holding;
“Group”	the Company and its subsidiaries;
“HELLA”	includes HELLA GmbH & Co. KGaA, and any company which is controlled by HELLA GmbH & Co. KGaA, directly or indirectly;
“HELLA Holding”	HELLA Holding International GmbH, a company established in Germany;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	party(ies) who is/are independent from the Company and its connected person(s) (as defined under the Listing Rules);
“JV Contract”	the joint venture contract dated 17 June 2020 entered into between Minth Investment and HELLA Holding in relation to the formation and management of the JV Company;
“JV Company”	HELLA MINTH Jiaxing Automotive Parts Co., Ltd. (敏實海拉嘉興汽車零部件有限公司), a company to be established in the PRC under the JV Contract;
“JV Parties”	Minth Investment and HELLA Holding;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Minth Investment”	MINTH Investment Co., Ltd. (敏實投資有限公司), a wholly-owned subsidiary of the Company, which is a company established in the PRC with limited liability;

“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“PRC WFOE”	wholly foreign owned company in the PRC, being a wholly-owned limited liability company by Minth Investment;
“Radome(s)”	automotive radar/LIDAR transparent cover, respectively automotive millimeter wave compatible emblem/badges/covers including all current and future technology development levels;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Assets”	the Radome business related assets as set out in the Framework Agreement which are owned by Minth Investment and/or its affiliates; and
“%”	percentage.

In this announcement, amounts in RMB are converted into HK\$ on the basis of RMB1 = HK\$1.095. The conversion rate above is for illustration purpose only and should not be taken as a representation that the above currencies could actually be converted at such rate or at all.

By Order of the Board
Minth Group Limited
Wei Ching Lien
Chairperson

Hong Kong, 18 June 2020

As at the date of this announcement, the Board comprises Ms. Wei Ching Lien, Mr. Chen Bin Bo and Ms. Chin Chien Ya, being executive Directors; and Dr. Wang Ching, Ms. Yu Zheng and Mr. Wu Tak Lung, being independent non-executive Directors.