

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MINTH GROUP LIMITED

敏實集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 425)

VOLUNTARY ANNOUNCEMENT PROPOSED JOINT VENTURE FOR LIQUID-COOLING PLATE PRODUCTS

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 6 April 2022, Minth Automotive Tech (a wholly-owned subsidiary of the Company) and Sanhua entered into the JV Agreement for the proposed establishment of the JV Company.

Set out below is a summary of the principal terms of the JV Agreement.

SUMMARY OF THE JOINT VENTURE

The Group and Sanhua entered into a strategic cooperation framework agreement on 29 November 2021 and a business cooperation agreement on 17 December 2021, where the JV Parties intended to form a joint venture to establish a strategic partnership between the JV Parties.

Minth Automotive Tech and Sanhua entered into the JV Agreement on 6 April 2022 pursuant to which the JV Parties propose to establish the JV Company and contribute to the registered capital of the JV Company for the purpose of establishing a top-tier production enterprise to develop, manufacture and sell liquid cooling plate products and other related parts and accessories by using advanced technology. The JV Parties hope that through this joint venture, they can use advanced technology to maintain or increase the competitiveness and profitability of the JV Company and its subsidiaries (including its proposed subsidiary in Europe).

The salient terms of the JV Agreement are set out below.

Date	6 April 2022
Parties	Minth Automotive Tech and Sanhua
Formation of the JV Company	<p>Upon signing the JV Agreement, the JV Parties shall use their best endeavors to procure that the required approval and filing with the competent government authorities is to be completed as soon as possible and in any event within 6 months from the date of the JV Agreement.</p> <p>The JV Parties shall, within 10 business days after the completion of the abovementioned approval and filing, submit all the necessary documents to the relevant authorities to incorporate the JV Company and to obtain the necessary operating license.</p>
Registered Capital	<p>The registered capital of the JV Company shall be RMB100,000,000 (equivalent to approximately HK\$123,300,000), of which Sanhua will contribute RMB51,000,000 (equivalent to approximately HK\$62,883,000), being 51% of the registered capital of the JV Company and Minth Automotive Tech will contribute RMB49,000,000 (equivalent to approximately HK\$60,417,000), being 49% of the registered capital of the JV Company.</p>
Establishing a subsidiary in Europe	<p>The JV Parties agree to procure the JV Company to establish a company as its wholly-owned subsidiary in Poland (or such other European country to be agreed) as soon as possible and in any event within 6 months from the date of the incorporation of the JV Company, to carry on the business of the development, manufacture and sale of liquid cooling plate products and its related parts and accessories.</p>
Business Scope	<p>To carry out the manufacture, retail and wholesale of automobile parts and accessories; the sale of electrical accessories for new energy automobiles; and the provision of various technological developments and services.</p>
Product Scope	<p>The JV Company and its proposed subsidiary in Europe shall focus on liquid cooling plate products, which is the cooling plate used for the cooling of new energy vehicle batteries that can be integrated with battery housing for new energy vehicles, and its related parts and accessories.</p>

Target Market	The target market of the JV Company and its subsidiaries shall be limited to the European region.
Composition of the board of directors of the JV Company	<p>The board of directors of the JV Company shall comprise of six directors, of which:</p> <p>(a) three directors (including the chairman of the board) shall be nominated by Sanhua; and</p> <p>(b) three directors (including the vice chairman of the board) shall be nominated by Minth Automotive Tech.</p>

INFORMATION OF THE GROUP

The Group is principally engaged in the design, manufacture and sale of automobile parts including metal and trim products, plastic products, aluminium products and battery housings and toolings and moulds. Minth Automotive Tech is principally engaged in the design, manufacture and sales of metal moulds and automobile body parts manufacturing equipment.

The Group is headquartered in China and has established worldwide presence through building R&D, design and production bases in China, the US, Mexico, Germany, the United Kingdom, Serbia, the Czech Republic, Thailand, Japan, etc. 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 SANHUA

Sanhua is a company established in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002050). It is principally engaged in the application of heat pump technology and thermal management system products, and it is dedicated to the professional operation of building HVAC (heating, ventilation, and air conditioning), electrical equipment and automotive thermal management system.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Sanhua and its ultimate beneficial owner(s) are third parties independent of the Company and its connected parties (as defined in the Listing Rules). For more information on the company, please visit its official website at <http://www.zjshc.com> (information that appear in that website does not form part of this announcement).

REASONS FOR AND BENEFITS OF ENTERING INTO THE JV AGREEMENT

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 Sanhua to develop, produce and sell liquid cooling plate products which will be integrated with battery housing product. The Directors are of the view that the formation of the JV Company with Sanhua represents a strategic move for the Group with a view to strengthen its presence in the European market by securing a stable supply of products to such market, enhance competitiveness and profitability 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 believe that entering into the JV Agreement is in the best interest of the Company and its shareholders as a whole, and its terms are fair and reasonable.

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;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“JV Agreement”	the joint venture agreement dated 6 April 2022 entered into between Minth Automotive Tech and Sanhua in relation to the formation and management of the JV Company;
“JV Company”	Zhejiang Minth Sanhua Auto Parts Co., Ltd. (浙江三花敏實汽車零部件有限公司), a company to be established in the PRC under the JV Agreement;
“JV Parties”	Minth Automotive Tech and Sanhua;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Mint Automotive Tech”	Mint Automotive Technology Research & Development Co., Ltd (敏實汽車技術研發有限公司), a wholly foreign owned company established in the PRC, which is wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sanhua”	Zhejiang Sanhua Intelligent Controls Co., Ltd (浙江三花智能控制股份有限公司), a company incorporated in the PRC with limited liability, and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002050);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	percentage.

In this announcement, amounts in RMB are converted into HK\$ on the basis of RMB1 = HK\$1.233. 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
Mint Group Limited
Wei Ching Lien
Chairperson

Hong Kong, 6 April 2022

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, Mr. Wu Tak Lung and Professor Chen Quan Shi being independent non-executive Directors.