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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)

DISCLOSEABLE TRANSACTION CONTINUING CONNECTED TRANSACTIONS

Non-compliance with Listing Rules relating to discloseable transactions

The Board regrets to announce that it has not complied with the Listing Rules in respect of a loan granted to PTI which is subject to aggregation under rule 14.22 of the Listing Rules. Upon aggregation of the US\$4.5 million PTI loan with the commitments made under the PTI Joint Venture, the loan constituted a discloseable transaction under Chapter 14 of the Listing Rules and the Company did not comply with the relevant Listing Rules at the time the aforesaid loan to PTI was made in August 2007.

Discloseable transaction in relation to new loan to PTI

PTI International, Inc., a wholly-owned subsidiary of the Company, entered into a loan agreement on 20 May 2008 with PTI to advance up to US\$10 million on or before 28 November 2008 at US\$ prime rate as announced by Bloomberg less 0.5% interest. When aggregated with the previous investment by Enboma in the last 12 months, such loan would constitute a discloseable transaction and a circular with more details will be sent to Shareholders in due course.

Non-compliance with Listing Rules relating to continuing connected transactions

The Board regrets to announce that it has not complied with the Listing Rules in respect of some of its continuing connected transactions with FALTEC Group, Sankei and Aisin Tianjin.

Proposed increase in and new annual caps for Aisin Sale and Purchase Agreement

As a result of the Group's intention to expand its product mix to include automobile parts such as door locks and other automobile parts which is expected to increase the purchase volume and sales volume to and from Aisin Tianjin for the year ending 31 December 2008 so that such purchases and sales would exceed those previously approved in compliance with the Listing Rules. The Company would like to seek Shareholders' approval for its proposed increase in the annual cap for the year ending 31 December 2008 and new annual caps for the three years ending 31 December 2011.

DISCLOSEABLE TRANSACTION WITH PTI

Formation of PTI

Reference is made to the Company's announcement dated 30 April 2007 (as amended on 12 June 2007) whereby it was announced that the Company formed a joint venture company, PTI, through its wholly owned subsidiary, Enboma, with Sojitz and the ex-management of Plastic Trim, LLC, which owned PTI as to 48%, 44% and 8% respectively. The 8% previously held by the ex-management of Plastic Trim, LLC were subsequently sold to Huge Leader Investments Limited, an independent third party, on 21 December 2007. PTI is accounted for as a jointly controlled entity of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, all shareholders of PTI and their ultimate beneficial owners other than Enboma are not connected persons of the Company. As stated in the above announcement, the Group was to contribute via Enboma a total of approximately US\$8.32 million to PTI, of which US\$4.16 million was a shareholders' loan from Enboma to PTI.

As contemplated in the PTI Joint Venture, Enboma entered into an agreement with PTI on 8 June 2007 to grant the above US\$4.16 million shareholders loan to PTI. The term of the loan is from 8 June 2007 to 7 June 2008 and interest is payable quarterly at Prime Rate plus 0.50%. The loan agreement did not require any security over assets to be given by PTI. Such loan has been advanced for the purpose of PTI's general working capital.

Terms of the US\$4.5 million PTI loan

On 31 August 2007, the Group entered into a further loan agreement to grant the US\$4.5 million PTI loan to PTI. The term of the US\$4.5 million PTI loan is from 31 August 2007 to 31 August 2008 and interest is payable quarterly at the monthly average of 1 year Libor Rate plus 1% which may be adjusted on a monthly basis, computation of which by the Group shall be conclusive and binding on PTI absent manifest error. The loan agreement did not require any security over assets to be given by PTI. Such loan has been advanced for the purpose of PTI's general working capital and had been negotiated on an arm's length basis between the parties involved. Two of the then shareholders of PTI were individuals who in aggregate held 70 preferred shares in PTI at the time. As stated in the announcement of 12 June 2007, these individuals were part of the old management team of Plastic Trim, LLC and it was not expected for them to contribute on the same basis as the ordinary shareholders, going forward. As for Sojitz, the other ordinary shareholder of PTI, it was unable to process and receive internal approval to make the loan at the time but this is being addressed in the current proposal whereby Sojitz has agreed to increase the share capital of PTI by US\$3.84 million, and Enboma does not extend further loans but simply capitalize its August loan in an amount so as to maintain the pro rata shareholding between Enboma and Sojitz. The equity interest held by Huge Leader Investments Limited will accordingly be diluted. In view of PTI's financial requirements and the above, the Company considers the August loan and its current capitalization proposal to be fair and reasonable and in the interests of the Shareholders as a whole. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, PTI and its ultimate beneficial owners (save for Enboma) are third parties independent of the Company and connected persons of the Company.

The Company inadvertently omitted to aggregate the US\$4.5 million PTI loan to its commitments under the PTI Joint Venture as it believed that, under the Listing Rules, such loan was a separate and distinct transaction to that contemplated under the PTI Joint Venture. During recent management reviews in preparation for the audit, the Company was advised that such transactions should have been aggregated and in those circumstances, the US\$4.5 million shareholders' loan together with the Group's initial commitments to PTI via Enboma of US\$8.32 million would constitute a discloseable transaction under the Listing Rules. As such the Company regrets to announce that it had not complied with the requirements under Chapter 14 of the Listing Rules in relation to discloseable transaction for the US\$4.5 million PTI loan and failed to publish an announcement and send a circular to its shareholders as soon as practicable after 31 August 2007.

Reasons for the US\$4.5 million PTI loan

PTI was formed for the purpose of acquiring certain assets and liabilities of a plastic injection molding and extrusion business based in the United States of America. In the course of PTI continuing its business, more time was required to restructure third party borrowings and therefore, by 31 August 2007, PTI had an unexpected need for further working capital. The Directors believe that the US\$4.5 million PTI loan provided PTI with further working capital and therefore strengthened its business and complemented the Group's automobile parts business by allowing the Company greater access to plastic injection molding and extrusion resources thus enhancing its cost efficiency and therefore bolster the Group's ultimate profitability as a whole.

The other significant shareholder of PTI, Sojitz, has agreed to make further contributions to PTI's capital before the end of April 2008 for the purpose of funding its business operations and in this regard, Sojitz has contributed a further US\$3.84 million to PTI's capital on 16 April 2008. Details of the shareholdings in PTI before and after capitalisation would be as follows:

Shareholders	Before capitalisation	After capitalisation
Enboma	48%	49.82%
Sojitz	44%	45.99%
Huge Leader Investments Limited	8%	4.19%*

* preferred shares

Further, as PTI represents prospects of the Group's business expansion to the United States region, it is important to fulfil PTI's funds need as and when required. It is expected that for the next twelve months ending 30 April 2009, the Group may advance a further loan of up to US\$10 million to PTI. Sojitz is not expected to grant a similar loan to PTI at this stage. Applying the rules of aggregation under the Listing Rules, even if we take into account the further advance of US\$10 million, the applicable ratios of such loans, together with the original commitments under the PTI Joint Venture, will not exceed 5% of the relevant percentage ratios based on the latest 2007 financial statements of the Company and therefore the Company will not be subject to reporting and announcement requirements under the Listing Rules. In this connection, PTI International, Inc., a wholly-owned subsidiary of the

Company, entered into a loan agreement on 20 May 2008 with PTI to advance, up to US\$10 million on or before 28 November 2008 at US\$ prime rate as announced by Bloomberg less 0.5% interest. Such loan is to be repaid to the Group by 28 November 2008 and will be secured over certain existing property, plant and owned by PTI upon release of the same under a separate pre-existing mortgage in favour of another lender. Each loan to be advanced under this loan agreement would be a minimum of US\$500,000. Such loan is not expected to be capitalised and Sojitz is not expected to grant a similar loan to PTI. As such loan has been negotiated on an arm's length basis on normal commercial terms with interest, the Company considers it to be fair and reasonable and to the interest of the Shareholders as a whole.

A circular containing relevant information of the discloseable transaction above will be sent to Shareholders pursuant to rule 14.33 of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS WITH FALTEC GROUP

When FALTEC Group became a connected person

Prior to the share transfer agreement between Altia Hashimoto and Minth Investment dated 28 September 2007 whereby Altia Hashimoto transferred its 15% interest in JiaXing Minth-Hashimoto to Minth Investment, JiaXing Minth-Hashimoto was held by the Company (indirectly) and Altia Hashimoto as to 50% each. As a result of such agreement, JiaXing Minth-Hashimoto became an indirect non-wholly owned subsidiary of the Company. Such acquisition of a further 15% shareholding interest in JiaXing Minth-Hashimoto did not constitute a notifiable transaction under Chapter 14 and Chapter 14A of the Listing Rules at the time. As Altia Hashimoto holds the remaining 35% interest in JiaXing Minth-Hashimoto, it became a connected person of the Company by virtue of its substantial shareholding in JiaXing Minth-Hashimoto. Pursuant to the share transfer agreement, the effective date for apportioning economic benefits and risks was 31 August 2007. Consequently, JiaXing Minth-Hashimoto was consolidated as a subsidiary of the Group from 31 August 2007 and transactions thereafter between the FALTEC Group and the Group are connected transactions under the Listing Rules. Unfortunately, it was considered, mistakenly, that under the Listing Rules, agreements entered into by the Group with a person who, at time of entry into such agreements, was not a connected person would not constitute continuing connected transactions for the Group. During recent management reviews in preparation for the audit, the Company was advised that such transactions with the FALTEC Group after the FALTEC Group became a connected person would constitute continuing connected transactions notwithstanding that the agreements were entered into prior to such time. The Board regrets to announce that it has not complied with Chapter 14A of the Listing Rules in relation to the reporting and announcement requirements in respect of transactions with the FALTEC Group on a timely basis.

Agreements with the FALTEC Group

The FALTEC Group are mainly involved in the business of automobile part and accessory production and development. The Group has been entering into technology services agreements with Altia Hashimoto until such company being acquired by the FALTEC Group in October 2007. Upon such

acquisition, all pre-existing contracts between Altia Hashimoto and the Group have been assumed by the FALTEC Group and since then, the Group has been entering into technology services agreements with the FALTEC Group. The FALTEC Technology Services Agreements together with the FALTEC Master Framework Agreement, mainly relate to the grant of licences by the FALTEC Group to the Group to produce certain automobile parts as well as providing the Group with the manufacturing know-how for production of these automobile parts. These licences and know-how are exclusive in the market and allows the Group to sell automobile parts in China which are produced to certain product standards prescribed by the Japanese car manufacturers. Historically the FALTEC Technology Services Agreements have been entered into individually to provide for the different licences and know-how involved for each of the various different types of car models. The FALTEC Master Framework Agreement has subsequently been entered into on 27 September 2007 to govern the transactions between the Group and the FALTEC Group generally whereby the term of the FALTEC Master Framework Agreement is fixed for three years with an option to renew subject to compliance with the requirements under the Listing Rules. The price for such licences and know-how under the FALTEC Master Framework Agreement will be agreed at the time when such transactions are entered into for the relevant car model but such prices shall either be set by reference to the prevailing market prices, or should there be no market price available for reference, based on cost plus a reasonable profit. The structure of payment of such prices to be agreed under the FALTEC Master Framework Agreement are also expected to take the same form as that in the existing FALTEC Technology Services Agreement, payment by the Group would include a fixed amount of consideration for the licence and know-how plus a variable fee which is payable based on a percentage of the sales of such automobile parts for the relevant car model and ancillary expenses (such as staff training and moulds provided by the FALTEC Group) which are paid on an ad hoc basis.

Term of the FALTEC Technology Services Agreements

The terms of the FALTEC Technology Services Agreements range from 2 years to 10 years with some entered into as early as 2003. Rule 14A.35(1) of the Listing Rules requires that the term of an agreement governing continuing connected transactions of an issuer must not exceed three years except in special circumstances. The remaining term of some of the FALTEC Technology Services Agreements will expire after 31 August 2010, being more than 3 years after the FALTEC Group became a connected person of the Company. This is the result of the existing terms of the FALTEC Technology Services Agreements remaining the same and immediately prior to the relevant annual caps expiring in three years' time, the Company will re-comply with the Listing Rules for the purpose of approving the new annual caps based on these agreements or new agreements as the case may be. The Directors are of the view that it is the industrial norm for such agreements granting licence to produce automobile parts and provision of know-how to exceed three years and that the transactions contemplated under these agreements will help the Group in maintaining its market share of automobile parts in the China market. As for the FALTEC Master Framework Agreement, it will be effective until 31 December 2010 from the date when the FALTEC Master Framework Agreement is approved by the independent shareholders of the Company pursuant to the Listing Rules. It is also a term of the FALTEC Master Framework Agreement that it shall also be renewed for a further 3 year period upon expiry on 31 December 2010 subject to compliance with the Listing Rules.

Payment terms

The amounts payable under the FALTEC Technology Services Agreements involve a fixed fee for each agreement to be paid by instalments plus a variable fee which is payable based on a percentage of the sales of such automobile parts for the relevant car model and ancillary expenses (such as staff training and moulds provided by the FALTEC Group) which are paid on an ad hoc basis.

The approximate amounts paid by the Group to the FALTEC Group were as follows:

12 months ended 31 December 2005	12 months ended 31 December 2006	8 months ended 31 August 2007	4 months ended 31 December 2007
<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
5,600,000	4,805,000	6,047,000	13,724,000

As for the FALTEC Master Framework Agreement, payment terms are subject to further agreement on a per transaction basis but it is agreed that generally FALTEC Group shall provide JiaXing Minth-Hashimoto or its associated companies such licences and know-how at such price no less favourable than those available from other independent third parties. Such prices shall be determined by reference to corresponding market prices and on normal commercial terms which are fair and reasonable as a whole. Should there be no market prices for reference, FALTEC Group shall price its licences and/or know-how at cost plus a reasonable profit. The FALTEC Master Framework Agreement covers the same type of services as the FALTEC Technology Services Agreements and is intended to cover all technology services agreements with FALTEC Group going forward.

The Directors have advised that the terms and conditions under the FALTEC Technology Services Agreements and the FALTEC Master Framework Agreement were negotiated on an arm's length basis between the parties involved. The Directors consider that the transactions under these agreements are on normal commercial terms and the transactions contemplated thereby are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Based on the total amounts paid by the Group pursuant to the FALTEC Technology Services Agreements for the three years ended 31 December 2007 as set out above, and the expected demand for the relevant automobile parts for 2008, 2009 and 2010, the Directors anticipate that the annual caps for the amounts payable to the FALTEC Group pursuant to the FALTEC Technology Services Agreements and the FALTEC Master Framework Agreement for the three years ending 31 December 2010 will be as follows:

	For the three financial years ending 31 December		
	2008	2009	2010
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Annual cap	70,000,000	54,000,000	42,000,000

The annual cap for 2008 represents approximately 3.5 times that of the actual amount spent for the year 2007. This is because of the expected increase in sales of the relevant automobile parts which is the result of the combination of increase in automobile models requiring such automobile parts and the fact that the Group was mainly engaged in the development phase for the years prior to 2008 in respect of some of the automobile parts and commercial production of some of these relevant automobile parts for sale commenced in 2008. The annual caps for the three years ending 31 December 2010 are on a decreasing trend as the amount payable for the 2008 annual cap took into account certain car models which are already in production. The production and sales of these relevant car models are expected to be in a decreasing trend for the three years ending 31 December 2010 as these models enter the later stage of their life cycle towards phasing out or replacement by new car models and as such, the demand for the relevant automobile parts will also decrease.

Should the actual payments required to be made to the FALTEC Group for these three years exceed the above annual caps as a result of growth in sales of the relevant automobile parts, the Group will seek shareholders' approval pursuant to the Listing Rules prior to such annual caps being exceeded. As one of the applicable ratios under Chapter 14 exceed 2.5% and the annual caps also exceed HK\$10,000,000, the FALTEC Technology Services Agreement and the FALTEC Master Framework Agreement are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Reasons for the FALTEC Technology Services Agreement and the FALTEC Master Framework Agreement

The Group is principally engaged in the design, manufacture and sale of body structural parts, decorative parts and trim for passenger cars. The Group has historically been in cooperation with the FALTEC group of companies. The Directors are of the view that this continuing relationship allows the Group to have the access to technology and know-how which are relevant to ensuring that its products continue to conform to market standards prescribed by the Japanese car manufacturers.

CONTINUING CONNECTED TRANSACTIONS WITH SANKEI

Connected Person relationship

Sankei, a wholly-owned subsidiary of Sankei Giken Holding (a connected person of the Company since February 2001 by way of its 30% shareholding in one of the Company's subsidiaries, Guangzhou Minhui), had historically provided technology support services to the Group, more specifically, to Guangzhou Minhui, Ningbo Shintai and Wuhan Minhui. Guangzhou Minhui, an indirect non-wholly owned subsidiary of the Company, entered into the Sankei Technology Services Agreements with Sankei as early as 2002, details of which are set out in the Company's prospectus dated 22 November 2005. Each of Ningbo Shintai and Jiaxing Minhui, both indirect wholly-owned subsidiaries of the Company, entered into Sankei Technology Services Agreements with Sankei as early as 2004. As Sankei Giken Holding is a 30% shareholder of Guangzhou Minhui, both Sankei Giken Holding and

Sankei are substantial shareholders of Guangzhou Minhui and are therefore connected persons of the Company and transactions between members of the Group and Sankei Giken Holding or Sankei constitute connected transactions under the Listing Rules.

Agreements with Sankei

Sankei Giken Holding and its group companies are mainly involved in the business of automobile and motorcycle parts and accessory production and development. Pursuant to the Sankei Technology Services Agreements, Sankei agreed to provide technology, technology support and know-how for certain types of automobile parts to Guangzhou Minhui, Ningbo Shintai and Jiaxing Minhui and to grant non-exclusive rights to use the technology know-how in relation to the manufacture of automobile parts for Guangzhou Honda (in respect of Guangzhou Minhui) and Dongfeng Honda (Wuhan) Automobile Co. Ltd. (in respect of Ningbo Shintai and Jiaxing Minhui). The technology support provided by Sankei includes the design, installation and operation of the automobile parts and providing training to the Group's staff. Wuhan Minhui, an indirect wholly owned subsidiary of the Company, entered into three new Sankei Technology Services Agreements with Sankei on 28 February 2006, 18 April 2006 and 1 February 2008 respectively. Guangzhou Minhui also entered into two new Sankei Technology Services Agreements on 17 July 2007. The Group entered into individual technology service agreements as each agreement relates to automobile parts for different automobile models. The Group has not entered into any master framework agreement with Sankei Giken Holding to govern all technology services agreement as a whole. The price for such technology, technology support and know-how under the Sankei Technology Services Agreements are set by reference to the prevailing market prices. The structure of payment of such prices under the Sankei Technology Services Agreements is such that payment by the Group would include a fixed amount of consideration for the technology, technology support and know-how plus a variable fee which is payable based on a percentage of the sales of such automobile parts for the relevant car model and ancillary expenses (such as staff training provided by Sankei) which are paid on an ad hoc basis.

Term of the Sankei Technology Services Agreements

The term for each of the new Technology Services Agreements entered into by Wuhan Minhui and Guangzhou Minhui is for five to six years commencing from the date when the date of execution of the agreements or the date when registration procedures with the relevant Chinese government authorities were completed, as the case may be, with the latest ending in 2014.

Rule 14A.35(1) of the Listing Rules requires that the term of an agreement governing continuing connected transactions of an issuer must not exceed three years except in special circumstances. Under the Listing Rule, special circumstances are limited to cases where the nature of transactions requires to be more than 3 years and the relevant independent financial adviser explains why the longer period is required and that it is normal business practice for such contracts to be of such duration. The terms of those Sankei Technology Services Agreements entered into before the Company's listing on the Stock Exchange were, as disclosed in the Company's prospectus, for a period exceeding three years. Going forward, the terms of the Sankei Technology Services Agreements range from 5 to 7 years. The Directors are of the view that it is the industrial norm for such agreements providing technology,

technology support and know-how to produce automobile parts to exceed three years and that the transactions contemplated under these agreements will help the Group in continuing to secure orders for Guangzhou Honda and Dongfeng Honda (Wuhan) Automobile Co. Ltd.. The ultimate customers in this case (unlike in the FALTEC agreements), in connection with the production of Honda cars, require the Group to give the same technological support and commitment for a minimum period of five years which is their expected life cycle of one model of car. The Company is of the view that it would be impracticable to negotiate for a shorter period in light of business practice in the industry and the commercial importance of such production technology in the Group's ability to service its customers. Further details and the related advice from the independent financial adviser in this regard will be put forward to Shareholders for their consideration and approval. The Company has engaged Kingsway Capital Limited as its independent financial adviser and which, based on market information on contracts of similar nature as well as information provided by the Company as comparables, is of the view that a period longer than three years is required for the Sankei Technology Services Agreements and that it is normal business practice for contracts of this type to be of such duration. Further information on the independent financial adviser's views will be set out in the circular to be issued by the Company as soon as practicable.

Payment terms

The amounts payable under the new Sankei Technology Services Agreements involve a fixed fee for each agreement to be paid by instalments plus a component which is dependent upon the sales of the certain specific automobile parts only by the Group.

The approximate amounts paid by the Group to Sankei were as follows:

Financial year ending 31 December		
2005	2006	2007
<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
3,402,000	3,554,000	6,001,000

The amounts paid under the Sankei Technology Services Agreements entered prior to the time of the Company's listing on the Stock Exchange did not exceed the annual caps stated in the Company's prospectus dated 22 November 2005. Whilst such transactions were in compliance with the Listing Rules, the following amounts were paid for the period commencing 1 January 2008 prior to this announcement and as such, the Company is in breach of the announcement requirements under the Listing Rules:

2 months ended

29 February 2008

1,245,000

4 months ending 30 April 2008

3,326,000

The Directors have advised that the terms and conditions under these agreements with Sankei were negotiated on an arm's length basis between the parties involved. The Directors consider that the transactions under these agreements are on normal commercial terms and the transactions contemplated thereby are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Based on the total amounts paid by the Group pursuant to the Sankei Technology Services Agreements for the three years ended 31 December 2007 as set out above, and the expected demand for the relevant automobile parts for 2008, 2009 and 2010, the Directors anticipate that the annual caps for the amounts payable to Sankei Giken Holding or any of its group companies under all Sankei Technology Services Agreements for the three years ending 31 December 2010 will be as follows:

	For the three financial years ending 31 December		
	2008	2009	2010
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Annual cap	18,00,000	20,000,000	22,000,000

The annual cap for 2008 represents approximately 3 times that of the actual amount spent for the year 2007 with an upward trend for 2009 and 2010. This is because of the expected increase in sales of the relevant automobile parts which is the result of the combination of increase in automobile models requiring such automobile parts and the fact that the Group was mainly engaged in the research and development phase for the years prior to 2008 and commercial production of the relevant automobile parts for sale commenced in 2008.

Should the actual payments required to be made to Sankei or any of its group companies for these three upcoming years exceed the above annual caps as a result of growth in sales of the relevant automobile parts, the Group will seek shareholders' approval pursuant to the Listing Rules prior to such annual caps being exceeded. The Group will also seek Shareholders' approval for the period after 2010 prior to expiry of the above annual cap in 2010. As each of the applicable percentage ratios under Chapter 14 of the Listing Rules are less than 2.5%, the Sankei Technology Services Agreement are only subject to the reporting and announcement requirements required by the Listing Rules and are exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Board regrets to announce that, as a result of an administrative oversight, it had not made an announcement prior to the expiry of the annual caps for the Sankei Technology Services Agreements entered into before the Company's listing on the Stock Exchange and in respect of the new Sankei Technology Services Agreements entered into on 28 February 2006, 18 April 2006, 17 July 2007 and 1 February 2008.

Reasons for the Sankei Technology Services Agreement

The Group believes that by entering into Sankei Technology Services Agreement, it will not only help the Group to secure orders for automobile parts from Guangzhou Honda (in respect of Guangzhou Minhui) and Dongfeng Honda (Wuhan) Automobile Co. Ltd., but the Group's staff will also benefit from the training and technology know-how exchange provided by Sankei. The Directors have advised

that the terms and conditions under the Technology Services Agreements were negotiated on an arm's length basis between the parties involved. They consider that the transactions under the new Sankei Technology Services Agreements are on normal commercial terms and the transactions contemplated thereby are in the interest of the Company and the Shareholders taken as a whole.

CONTINUING CONNECTED TRANSACTIONS WITH AISIN TIANJIN

Reference is made to the Company's announcement dated 20 July 2006 and its circular dated 7 August 2006.

Connected person relationship

Aisin Tianjin is a connected person of the Company by virtue of it being a substantial shareholder of Tianjin Shintai, holding 20% equity interest. Tianjin Shintai, an indirect subsidiary of the Company, entered into the Aisin Sale and Purchase Agreement, pursuant to which, Tianjin Shintai and/or its affiliates agreed to purchase semi-finished automobile materials from, and sell finished automobile parts to, Aisin Tianjin and/or its affiliates during the term of the Aisin Sale and Purchase Agreement. Details of the terms of the Aisin Sale and Purchase Agreement are set out in the Company's circular dated 7 August 2006. Aisin Tianjin is principally engaged in the manufacture and sale of automobile body parts.

Proposal to revise existing annual cap and new annual caps

As previously disclosed and in compliance with the Listing Rules, the annual cap for the year ending 31 December 2008 for the purchases from and sales to Aisin Tianjin pursuant to the Aisin Sale and Purchase Agreement were fixed at RMB25 million and RMB158 million respectively. As a result of the Group's intention to expand its product mix to include automobile parts such as door locks and other automobile parts which is expected to increase the purchase volume and sales volume from and to Aisin Tianjin for the year ending 31 December 2008, the annual purchase and sales from and to Aisin Tianjin will exceed their relevant annual caps previously approved in compliance with the Listing Rules. During recent management reviews in preparation for the audit, it has come to the attention of the Company that the purchases made from Aisin Tianjin for the three months ending 31 March 2008 has already exceeded the annual cap for the year 2008 in respect of purchases. This is a result of the strong growth in demand for the relevant automobile parts which was not expected at the time in 2006 when the Company first sought the approval of the original caps. The Board regrets to announce that, as a result of an administrative oversight, it had not complied with the reporting, announcement and independent shareholders' approval requirements of the Listing Rules prior to the annual caps being breached in respect of purchases made from Aisin Tianjin and as such, the Company would therefore like to seek independent Shareholders' approval for its proposed increase in the annual cap for the year ending 31 December 2008 and the new annual caps for the three years ending 31 December 2011 as the Company has on 21 April 2008 notified Aisin Tianjin of its intention to renew the Aisin Sale and Purchase Agreement for a further 3 years up to and including 31 December 2011 subject to independent Shareholders' approval. Aisin Tianjin acknowledged such notification on 19 May 2008 and accordingly agreed to such renewal. The original annual caps previously approved by shareholders for

the year 2008 and the new annual caps proposed to be approved for the three years ending 31 December 2011 are set out as follows:

		31 December			
		2008	2009	2010	2011
		<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Annual cap for purchase of semi-finished automobile materials from Aisin Tianjin pursuant to the sale and purchase agreement	160,000,000 (Previously approved annual cap: RMB25,000,000)	150,000,000	140,000,000	150,000,000	150,000,000
Annual cap for sale of finished automobile parts to Aisin Tianjin pursuant to the sale and purchase agreement	200,000,000 (Previously approved annual cap: RMB158,000,000)	200,000,000	180,000,000	190,000,000	190,000,000

The revised annual caps for 2008 represents approximately 6.4 times for purchases and approximately 1.3 times for sales. Such sharp increase in annual caps is a result of the Group's intention to expand its product mix to include automobile parts such as door locks and other automobile parts together with expected strong increase in demand for products of the Company which is expected to increase the Company's purchase volume and sales volume to and from Aisin Tianjin.

The price for the semi-finished automobile materials supplied by Aisin Tianjin to Tianjin Shintai under the Aisin Sale and Purchase Agreement shall be negotiated by the parties on arm's length basis by reference to market conditions at the prevailing time and if there is no market price for a particular material, an agreed price consisting of the cost incurred in supplying the material plus a reasonable profit acceptable to both parties. The price for the finished products supplied by Tianjin Shintai to Aisin Tianjin under the Aisin Sale and Purchase Agreement shall be negotiated by the parties on an arm's length basis by reference to market conditions at the prevailing time and if there is no market price for a particular product, an agreed price consisting of the cost incurred in supplying the product plus a reasonable profit acceptable to both parties.

The Directors have confirmed that the terms of the Aisin Sale and Purchase Agreement have been determined on an arm's length basis and the continuing connected transactions contemplated thereunder have been and will be conducted in the ordinary and usual course of business of the Group and on normal commercial terms. The Directors are of the view that such transactions are fair and reasonable and in the interests of the Shareholders as a whole.

In line with the Group's strategy to continue to identify clients with growth potentials to form strategic co-operation, the Directors are of the view that the Aisin Sale and Purchase Agreement will continue to strengthen the Group's strategic relationship with Aisin Tianjin. As the Company understands that the controlling shareholder of Aisin Tianjin is an affiliate of Toyota and in anticipation of the introduction

of new car models, and growing demand for cars made, by Toyota in the PRC automobile market, the Directors believe that such strategic alliance with Aisin Tianjin will enable the Group to increase its supply of finished automobile parts to Aisin Tianjin in the future.

A circular together with the notice of EGM will be despatched to the Shareholders as soon as practicable for the purpose of approving the increase in the annual cap for the year ending 31 December 2008 and the new annual caps in respect of the purchases from and sales to Aisin Tianjin pursuant to the Aisin Sale and Purchase Agreement for the year ending 31 December 2008 and for the three years ending 31 December 2010 as stated above.

An independent board committee will be established to advise the independent Shareholders and an independent financial adviser has been appointed to opine on the terms of the Aisin Sale and Purchase Agreement and the revised annual caps.

LISTING RULES

In light of the number of breaches set out in this announcement, the Company will organise more compliance related training sessions including Listing Rules requirements on connected transactions training sessions provided by its legal advisers for attendance by senior management and strengthen its communications with its professional advisers in relation to its business transactions so as to ensure full compliance with the Listing Rules at all times going forward. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Sankei is not connected with FALTEC Group or Aisin Tianjin. As such transactions with these parties should not be aggregated. The Company confirms that save as disclosed in the announcement, the Group does not have other services agreements with Sankei that should be aggregated with the Sankei Technology Service Agreements.

The Company has appointed Kingsway Capital Limited as its independent financial adviser. The Company will issue a circular in relation to the above transactions as soon as practicable containing a letter from the independent board committee and from the Company's independent financial adviser in respect of the continuing connected transactions.

PRINCIPAL ACTIVITIES OF THE GROUP

The Group is principally engaged in the design, manufacture and sale of body structural parts, decorative parts and trim for passenger cars.

DEFINITIONS

“Aisin Sale and Purchase Agreement”	a sale and purchase agreement dated 19 July 2006 entered into between Tianjin Shintai and Aisin Tianjin for the purpose of purchasing semi-finished automobile materials and selling finished automobile parts by Tianjin Shintai and/or its affiliates
“Aisin Tianjin”	Aisin Tianjin Body Parts Co., Ltd., a Sino-foreign equity joint venture established in the PRC on 28 May 2001
“Altia Hashimoto”	Altia Hashimoto Co., Ltd., a company incorporated under the laws of Japan with limited liability
“Board”	the board of Directors
“Company”	Mint Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“connected person”	has the meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering, amongst other things, the FALTEC Technology Services Agreements, the Sankei Technology Services Agreements and the revised annual caps for the Aisin Sale and Purchase Agreement
“Enboma”	Enboma Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly owned subsidiary of the Company;
“FALTEC Group”	FALTEC Co., Ltd., a company incorporated under the laws of Japan with limited liability, together with its subsidiaries including Altia Hashimoto
“FALTEC Master Framework Agreement”	The framework agreement dated 27 September 2007 entered into between FALTEC Group and JiaXing Mint-Hashimoto
“FALTEC Technology Services Agreements”	the agreements entered into between members of the Group and members of the FALTEC Group (or Altia Hashimoto, as the case may be) in relation to the provision of production licences and production know-how of certain automobile parts by the FALTECH Group to the Group

“Group”	the Company and its subsidiaries
“Guangzhou Minhui”	Guangzhou Minhui Automobile Parts Co., Ltd., an FIE established under the laws of China on 21 February 2001 and an indirect subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“JiaXing Minth-Hashimoto”	JiaXing Minth-Hashimoto Auto motive Parts Co., Ltd, an FIE established under the laws of China on 16 October 2006
“Libor Rate”	London Interbank Offered Rate
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minth Investment”	Minth Investment Limited, a company incorporated in Hong Kong with limited liability and is a wholly owned subsidiary of the Company
“Ningbo Shintai”	Ningbo Shin Tai Machines Co., Ltd., a WOFE established under the laws of China on 5 April 1999 and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“Prime Rate”	the prime rate of interest as reflected from time to time in the “Money Rates” section of the Wall Street Journal
“PTI”	Plastic Trim International, Inc., a Delaware corporation
“PTI Joint Venture”	the joint venture agreement entered into between, amongst other persons, Enboma and Sojitz for the establishment of PTI
“Sankei”	Sankei Giken Kogyo Co., Ltd., a company incorporated in Japan with limited liabilities
“Sankei Giken Holding”	Sankei Giken Holdings Co., Ltd., a 30% shareholder in Guangzhou Minhui
“Sankei Technology Services Agreement”	the agreements entered into between Sankei and members of the Group in relation to the provision of technology, technology support and know-how of certain automobile parts by Sankei Holding or its group companies to the Group

“Sojitz”	Sojitz Corporation, a general trading company (including automobiles), whose shares are listed on the Tokyo Stock Exchange and is strategic investor of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Shintai”	天津信泰汽車零部件有限公司 (Tianjin Shintai Automotive Parts Co., Ltd.), an indirect subsidiary of the Company established in the PRC on 21 March 2003
“Wuhan Minhui”	Wuhan Minhui Automotive Parts Co.,Ltd, a WOFE established under the laws of China on 11 October 2005 and an indirect wholly-owned subsidiary of the Company

By order of the Board
Minth Group Limited
Chin Jong Hwa
Chairman

As the date of this announcement, the board of directors comprises Mr. Chin Jong Hwa, Mr. Shi Jian Hui, Mr. Mu Wei Zhong, and Mr. Zhao Feng, being executive Directors, Mr. Mikio Natsume, Mr. Tokio Kurita, and Ms. Yu Zheng being non-executive Directors, Mr. Heng Kwoo Seng, Dr. Wang Ching and Mr. Zhang Liren being independent non-executive Directors.

Hong Kong, 20 May 2008