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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)

FORMATION OF A JOINT VENTURE COMPANY

The Company is pleased to announce that on 27 September 2012, one of its indirect wholly-owned subsidiaries, MINTH MEXICO, has signed an Articles of Association with Tokai Kogyo to establish a Joint Venture Company. The Joint Venture Company is owned as to 50% by MINTH MEXICO and 50% by Tokai Kogyo to engage in the research and development, manufacture of resin products, plastic injection products, key automobile parts and components, rubber materials, rubber products and construction materials, sales of the products in Mexico and exportation of the products to the global market. The Joint Venture Company will be accounted for as a subsidiary of the Company.

As Tokai Kogyo holds 50% in a joint venture company with the Company, 武漢東海敏實汽車零部件有限公司 (Wuhan Tokai Minth Automotive Parts Co., Ltd.) which is accounted for as a subsidiary of the Company, Tokai Kogyo is a connected person of the Company. Accordingly, the establishment of the Joint Venture Company constitutes a connected transaction of the Company.

As the applicable percentage ratios for the establishment of the Joint Venture Company under the Articles of Association are less than 0.1%, the transaction is exempt from the reporting, announcement and the independent shareholder's approval requirements under Rule 14A.31(2) of the Listing Rules.

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Date of the Articles of Association: 27 September 2012

Parties: (a) MINTH MEXICO; and
(b) Tokai Kogyo

Tokai Kogyo is a Japanese corporation principally engaged in the design, manufacture and sale of polyurethane foam products, press processing products, thermosetting products, resin products, plastic injection products, key automobile parts and components, rubber materials, rubber products and construction materials and the importing and exporting the above-mentioned products and tools.

Tokai Kogyo holds 50% in a joint venture company with the Company, 武漢東海敏實汽車零部件有限公司 (Wuhan Tokai Minth Automotive Parts Co., Ltd.), and is a connected person of the Company.

Total Commitment: The initial registered capital of the Joint Venture Company is MXN50,000 (approximately HK\$29,965) and shall be contributed in cash as follows:–

(a) MINTH MEXICO	MXN25,000 (approximately HK\$14,983)
(b) Tokai Kogyo	MXN25,000 (approximately HK\$14,983)

The above contribution shall be made within 1 year from the date of issuance of the business licence of the Joint Venture Company, and no less than 20% of which shall be contributed within 3 months from the date of issuance of the business licence of the Joint Venture Company.

The above capital commitment was determined after arm's length negotiation between the parties with reference to the expected capital requirements of the Joint Venture Company.

Board Composition and management:

The board of directors of the Joint Venture Company shall comprise five directors, three of which shall be appointed by MINTH MEXICO and two of which shall be appointed by Tokai Kogyo. There will also be one supervisor to be appointed by MINTH MEXICO who shall be responsible for, amongst other things, overseeing the work of the directors and senior management of the Joint Venture Company.

Business of the Joint Venture Company:

The Joint Venture Company will be engaged in the research and development, manufacture of resin products, plastic injection products, key automobile parts and components, rubber materials, rubber products and construction materials, sales of the products in Mexico and exportation of the products to the global market.

The Joint Venture Company will be accounted for as a subsidiary of the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTION

The Group is principally engaged in the design, manufacture and sale of parts for passenger cars. The Board considers the formation of the Joint Venture Company with Tokai Kogyo to be complimentary to its core business and may help to secure business opportunities by working in closer cooperation and resource sharing on a global scale with Tokai Kogyo and its strategic partners.

The Directors (including the independent non-executive Directors) have confirmed that the Articles of Association were negotiated on an arm's length basis between the parties. They consider that the Articles of Association are fair and reasonable and are in the interest of the Company and its shareholders taken as a whole.

LISTING RULE REQUIREMENTS

As Tokai Kogyo holds 50% in a joint venture company with the Company, 武漢東海敏實汽車零部件有限公司 (Wuhan Tokai Minth Automotive Parts Co., Ltd.) which is accounted for as a subsidiary of the Company, Tokai Kogyo is a connected person of the Company. Accordingly, the establishment of the Joint Venture Company constitutes a connected transaction of the Company.

As the applicable percentage ratios for the establishment of the Joint Venture Company under the Articles of Association are less than 0.1%, the transaction is exempt from the reporting, announcement and the independent shareholder's approval requirements under Rule 14A.31(2) of the Listing Rules.

DEFINITIONS

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

“Articles of Association”	an articles of association in connection with the establishment of the Joint Venture Company signed by MINTH MEXICO and Tokai Kogyo on 27 September 2012
“Board”	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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic China
“Joint Venture Company”	TK MINTH MEXICO, S.A. DE C.V., a company to be incorporated in Mexico with limited liability and which shall be owned by MINTH MEXICO and Tokai Kogyo as to 50% each
“Listing Rules”	Rules governing the Listing of Securities on the Stock Exchange
“Mexico”	The United Mexican States
“MINTH MEXICO”	MINTH MEXICO, S.A. DE C.V., a company incorporated in Mexico with limited liability and a wholly-owned subsidiary of the Company
“MXN”	Mexican Peso, the lawful currency of Mexico
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tokai Kogyo”	Tokai Kogyo Co., Ltd. (東海興業製作所株式會社), a limited liability company incorporated in Japan

Unless otherwise specified and for illustration purpose only, the conversion of MXN into HK\$ is based on the exchange rates of MXN1.00 = HK\$0.5993. Such conversion should not be construed as a representation that the relevant currency could actually be converted into HK\$ at that rate or at all.

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

Hong Kong, 28 September 2012

As the date of this announcement, the Board of Directors comprises Mr. Chin Jong Hwa, Mr. Shi Jian Hui, Mr. Zhao Feng and Mr Kawaguchi Kiyoshi, being executive Directors; Ms. Yu Zheng, Mr. He Dong Han and Mr. Mu Wei Zhong, being non-executive Directors; and Mr. Wu Fred Fong, Dr. Wang Ching and Mr. Zhang Liren being independent non-executive Directors.