

*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)**

**CONNECTED TRANSACTION  
ACQUISITION OF TIANJIN MINSHIN**

The Board is pleased to announce that on 28 September 2012, one of the Company's subsidiaries, Cheerplan (China), entered into an Equity Transfer Agreement with Rich Advance to acquire the entire equity interests of Tianjin Minshin. The Consideration for the Transaction is RMB38,000,000 (approximately HK\$46,505,935).

Rich Advance is a connected person (as defined under the Listing Rules) of the Company by virtue of it being a company wholly owned by Mr. Chin, an executive Director and the Chairman of the Company. Accordingly, the Transaction constitutes a connected transaction of the Company.

As the applicable percentage ratios for the Equity Transfer Agreement are more than 0.1% but less than 5%, the Transaction is only subject to the reporting and announcement requirements under Rule 14A.32(1) of the Listing Rules and exempt from the approval by the independent shareholders of the Company.

Particulars of the Equity Transfer Agreement are set forth below in this announcement.

The Board is pleased to announce that on 28 September 2012, one of the Company's subsidiaries, Cheerplan (China), entered into an Equity Transfer Agreement with Rich Advance to acquire the entire equity interests of Tianjin Minshin. The Consideration for the Transaction is RMB38,000,000 (approximately HK\$46,505,935).

Further particulars of the Equity Transfer Agreement are set out below:

**Date of the Equity Transfer Agreement:** 28 September 2012

**Parties:**

- (a) Cheerplan (China); and
- (b) Rich Advance

**Equity to be transferred:** 100% of the equity interests of Tianjin Minshin, a company incorporated in the PRC with limited liability and wholly owned by Rich Advance as at the date of this announcement.

The business scope of Tianjin Minshin is the research and development, design, production and sale of automobile parts and related products.

**Transfer of Equity:** Pursuant to the Equity Transfer Agreement, Cheerplan (China) agreed to purchase and Rich Advance agreed to sell the entire equity interests of Tianjin Minshin.

Within 30 days from the date of the Equity Transfer Agreement, Rich Advance shall apply to the relevant authority in the PRC for the approval of the Transaction.

Within 15 days from the date of approval by the relevant authority in the PRC, the notification and registration of the Transaction should be completed.

**Consideration:** The total Consideration is RMB38,000,000 (approximately HK\$46,505,935) and shall be settled as follows:

- (a) 50% of the Consideration (i.e. RMB19,000,000, approximately HK\$23,252,968) payable within 5 working days from the effective date of the Equity Transfer Agreement; and
- (b) the remaining 50% of the Consideration (i.e. RMB19,000,000, approximately HK\$23,252,968) payable within 5 working days from the registration of the transfer of the equity interests of Tianjin Minshin with the relevant authority in the PRC.

The Consideration was determined after arm's length negotiation between the parties with reference to the net asset value of Tianjin Minshin set out in the valuation report prepared by 天津廣譽資產評估有限公司 (Tianjin Guangyu Assets Valuation Co., Ltd.).

The net asset value of Tianjin Minshin as at 31 August 2012 was RMB45,387,200 (approximately HK\$55,546,689).

**Conditions:**

The Equity Transfer Agreement shall be effective when all of the following conditions have been fulfilled:

- (a) the execution of the Equity Transfer Agreement by Cheerplan (China) and Rich Advance;
- (b) the resolutions signed by shareholders of Tianjin Minshin approving the Transaction; and
- (c) the approval of the Transaction by the relevant authority in the PRC.

**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 and considers the acquisition will enable the Group to expand the production base in northern China which will not only increase the Group's economies of scale but also give it proximity to customers in that region.

**GENERAL**

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

Rich Advance is a company incorporated in British Virgin Islands and is an investment company.

Tianjin Minshin is a company incorporated in the PRC with limited liability with an initial registered capital of USD2,500,000 (approximately HK\$19,383,000).

The net profits/losses before and after taxation and non-recurring items attributable to Tianjin Minshin for the financial years ended 31 December 2010 and 31 December 2011 were as follows:

	<b>Financial year ended 31 December 2010</b>	<b>Financial year ended 31 December 2011</b>
Net profits/losses before taxation and non-recurring items attributable to Tianjin Minshin	RMB0 (HK\$0)	RMB-5,376,423 (approximately HK\$-6,579,883)
Net profits/losses after taxation and non-recurring items attributable to Tianjin Minshin	RMB0 (HK\$0)	RMB-5,376,423 (approximately HK\$-6,579,883)

The above financial information of Tianjin Minshin was prepared under the PRC accounting standards.

## **IMPLICATIONS OF THE LISTING RULES**

Rich Advance is a connected person (as defined under the Listing Rules) of the Company by virtue of it being a company wholly owned by Mr. Chin, an executive Director and the Chairman of the Company. Accordingly, the Transaction constitutes a connected transaction of the Company.

As the applicable percentage ratios for the Equity Transfer Agreement are more than 0.1% but less than 5%, the Transaction is only subject to the reporting and announcement requirements under Rule 14A.32(1) of the Listing Rules and exempt from the approval by the independent shareholders of the Company.

The Directors (including the independent non-executive Directors) have confirmed that the terms and conditions under the Equity Transfer Agreement were negotiated on an arm's length basis between the parties involved. They consider that the Transaction is on normal commercial terms, fair and reasonable and are in the interest of the Company and its shareholders taken as a whole.

Mr. Chin, being the sole shareholder and director of Rich Advance, has a material interest in the Transaction and abstained from voting on the relevant Board resolutions.

## **DEFINITIONS**

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

“Board”	the Board of Directors
“Cheerplan (China)”	展圖(中國)投資有限公司(Cheerplan (China) Investments Co., Ltd.), a company incorporated in China with limited liability and a wholly-owned subsidiary of the Company
“China” or “PRC”	the People's Republic of China
“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
“Consideration”	RMB38,000,000 (approximately HK\$46,505,935), the total consideration for the Transaction pursuant to the Equity Transfer Agreement
“Directors”	the directors of the Company
“Equity Transfer Agreement”	a conditional equity transfer agreement entered into between Cheerplan (China) and Rich Advance on 28 September 2012

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules governing the listing of securities on the Stock Exchange
“Mr. Chin”	Mr. Chin Jong Hwa, an executive Director and the Chairman of the Company
“Rich Advance”	Rich Advance Holdings Limited, a company incorporated in British Virgin Islands with limited liability and wholly owned by Mr. Chin
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Minshin”	天津敏信機械有限公司 (Tianjin Minshin Machinery Industrial Co., Ltd.), a company incorporated in the PRC with limited liability and wholly owned by Rich Advance as at the date of this announcement and shall be wholly owned by Cheerplan (China) upon completion of the Equity Transfer Agreement
“Transaction”	the transaction pursuant to the Equity Transfer Agreement
“USD”	United States dollars, the lawful currency of the United States of America

*Unless otherwise specified and for illustration purpose only, the conversion of RMB into HK\$ and USD into HK\$ are based on the exchange rates of HK\$1.00=RMB\$0.8171 and USD1.00=HK\$7.7532, respectively. Such conversions 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 of the date of this announcement, the Board 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.*