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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)

CONTINUING CONNECTED TRANSACTIONS

CAMERA PURCHASE AGREEMENTS

Reference is made to the announcements of the Company dated 23 February 2022 and 29 December 2022 in relation to, among others, the 2022 Jiaxing Camera Purchase Agreement for the supply of automobile camera devices, parts and accessories from Jiaxing Shun Min for the period from 23 February 2022 to 22 February 2025.

On 31 December 2024, the Group as purchaser entered into the Jiaxing Camera Purchase Agreement with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027 to replace the 2022 Jiaxing Camera Purchase Agreement which has been terminated with effect from 1 January 2025. The Group as purchaser also entered into the Hubei Camera Purchase Agreement on the same date with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027.

LISTING RULE IMPLICATIONS

As Jiaxing Shun Min (the counterparty to the Camera Purchase Agreements) is indirectly wholly-owned by Shun On Electronic, and in turn Mr. Chin (the controlling shareholder of the Company) and his associates are together indirectly beneficially interested in approximately 35.12% of Shun On Electronic, Jiaxing Shun Min is therefore an associate of Mr. Chin and is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Camera Purchase Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules for the Camera Purchase Agreements are in aggregate more than 0.1% but less than 5%, the transactions under the Camera Purchase Agreements are only subject to the reporting, announcement and annual review requirements but are exempted from circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Reference is made to the announcements of the Company dated 23 February 2022 and 29 December 2022 in relation to, among others, the 2022 Jiaxing Camera Purchase Agreement for the supply of automobile camera devices, parts and accessories from Jiaxing Shun Min for the period from 23 February 2022 to 22 February 2025.

On 31 December 2024, the Group as purchaser entered into the Jiaxing Camera Purchase Agreement with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027 to replace the 2022 Jiaxing Camera Purchase Agreement which has been terminated with effect from 1 January 2025, and the Group as purchaser also entered into the Hubei Camera Purchase Agreement on the same date with Jiaxing Shun Min as supplier to purchase automobile camera devices, parts and accessories for the period from 1 January 2025 to 31 December 2027, as detailed below.

CAMERA PURCHASE AGREEMENTS

Set out below is a summary of the principal terms of the Camera Purchase Agreements.

1. Jiaxing Camera Purchase Agreement

Date:	31 December 2024
Parties:	(i) Jiaxing Minhui (as purchaser) (ii) Jiaxing Shun Min (as supplier)
Term:	For three years commencing from 1 January 2025 to 31 December 2027.
Nature of transaction:	Jiaxing Shun Min agrees to supply and Jiaxing Minhui agrees to purchase automobile camera devices, parts and accessories.

For each purchase of the automobile camera devices, parts and accessories, Jiaxing Minhui shall provide Jiaxing Shun Min with a purchase order including but not limited to the product name, product specifications, quantity of each product, proposed price of each product and delivery requirements. Such purchase order shall be confirmed and accepted or deemed to be accepted by Jiaxing Shun Min within 48 hours (of business days only) from the time the purchase order was issued. Jiaxing Shun Min shall then deliver the products according to the purchase order to Jiaxing Minhui.

Price: The proposed prices of the products are based on the unit price of each automobile camera device, part and/or accessory (before tax). Please refer to the section headed “Pricing Policy and Internal Control” below.

The total consideration for each purchase order shall be determined by the agreed unit price of each relevant product and the actual number of the products delivered to Jiaxing Minhui.

Payment: Before the 5th day of every calendar month, Jiaxing Shun Min shall provide a sales summary to Jiaxing Minhui. Upon confirmation of such sales summary, Jiaxing Minhui shall notify Jiaxing Shun Min to issue and deliver an official invoice to Jiaxing Minhui before the 20th day of the same calendar month. Upon receipt of the official invoice, Jiaxing Minhui shall make payment to Jiaxing Shun Min on the first 5th day of the calendar month after 60 days from the date of the official invoice.

2. Hubei Camera Purchase Agreement

Date: 31 December 2024

Parties: (i) Hubei Minth (as purchaser)
(ii) Jiaxing Shun Min (as supplier)

Term: For three years commencing from 1 January 2025 to 31 December 2027.

Nature of transaction: Jiaxing Shun Min agrees to supply and Hubei Minth agrees to purchase automobile camera devices, parts and accessories.

For each purchase of the automobile camera devices, parts and accessories, Hubei Minth shall provide Jiaxing Shun Min with a purchase order including but not limited to the product name, product specifications, quantity of each product, proposed price of each product and delivery requirements. Such purchase order shall be confirmed and accepted or deemed to be accepted by Jiaxing Shun Min within 48 hours (of business days only) from the time the purchase order was issued. Jiaxing Shun Min shall then deliver the products according to the purchase order to Hubei Minth.

Price: The proposed prices of the products are based on the unit price of each automobile camera device, part and/or accessory (before tax). Please refer to the section headed “Pricing Policy and Internal Control” below.

The total consideration for each purchase order shall be determined by the agreed unit price of each relevant product and the actual number of the products delivered to Hubei Minth.

Payment: Before the 20th day of every calendar month, Jiaxing Shun Min shall provide a sales summary for the previous month to Hubei Minth. Upon confirmation of such sales summary, Jiaxing Shun Min will issue an official invoice to Hubei Minth before the 20th day of the same calendar month. Hubei Minth shall make payment to Jiaxing Shun Min on the first 5th day of the calendar month after 90 days from the date of the official invoice.

2022 Jiaxing Camera Purchase Agreement

On 31 December 2024, the 2022 Jiaxing Camera Purchase Agreement has been terminated with effect from 1 January 2025.

PRICING POLICY AND INTERNAL CONTROL

The proposed prices of the relevant products in each Camera Purchase Agreement were based on the fixed unit price of each relevant product and such unit prices were set by reference to the relevant prevailing market prices of each product. The basis of determining such prices will in any event be no less favourable to the Company than those available from independent third parties in similar transactions. To ensure that the prices are not less favourable than those available from independent third parties, the Company has adopted the following measures:

- (1) the Company sets the price of each Product with reference to the prevailing market prices of the same or similar goods, which will be determined through periodic price researches conducted by the Company. In these price researches, the Company will obtain fee quotes from at least two other independent suppliers in the market and/or industry research institute(s) such as Intelligence Research Group (智研諮詢) (<https://www.chyxx.com>) for goods comparable to the Products to determine whether the unit price of each relevant product is fair and reasonable;
- (2) the Company will supervise the continuing connected transactions in accordance with the procedures set forth in the Company's internal control manual on continuing connected transactions. The relevant personnel of the business department of the Company will conduct regular checks to review and will closely monitor such continuing connected transactions contemplated under the Camera Purchase Agreements to ensure that these transactions are conducted in accordance with the terms of the Camera Purchase Agreements and will also regularly update the market prices for the purpose of considering if the prices charged for the transactions are fair and reasonable and in accordance with the aforesaid pricing policy;
- (3) the Company will in particular regularly review and monitor the annual caps and whether the transactions are done at fair and reasonable prices to ensure that they meet the management and regulatory requirements; and
- (4) the independent non-executive Directors will conduct an annual review of the implementation and enforcement of the continuing connected transactions, including but not limited to the assessment of the annual caps.

ANNUAL CAPS

The aggregate annual caps in respect of the transactions under the Camera Purchase Agreements are as follows:

For the year ending 31 December		
2025	2026	2027
RMB46,302,000 (equivalent to approximately HK\$50,000,000)	RMB46,302,000 (equivalent to approximately HK\$50,000,000)	RMB46,302,000 (equivalent to approximately HK\$50,000,000)

The above annual caps are determined by reference to (i) the value of the Group's historical transaction amounts for the automobile camera devices, parts and accessories for the financial years ended 31 December 2022, 2023 and 2024 (being, RMB86,264,782.08, RMB7,356,887.55, and RMB9,804,663.02) under the 2022 CCT Agreements (inclusive of the 2022 Jiaying Camera Purchase Agreement); (ii) the average market prices of the relevant products; and (iii) the anticipated growth in the market demand for such products taking into account the typical life cycle of automobile production and sales.

The aggregate transaction amounts to be incurred under the Camera Purchase Agreements as well as the 2022 CCT Agreements (excluding the 2022 Jiaying Camera Purchase Agreement which has been terminated with effect from 1 January 2025) will be within the 5% threshold for connected transactions and exempt from the shareholders' approval requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CAMERA PURCHASE AGREEMENTS

The Group believes that by entering into the Camera Purchase Agreements, it will not only help the Group to ensure a stable supply of the Products, but also secure additional business opportunities by working in closer cooperation with Jiaying Shun Min.

The Directors have confirmed that the terms and conditions under the Camera Purchase Agreements were negotiated on an arm's length basis between the Group and Jiaying Shun Min. Having taken into account the above reasons and benefits, the Directors (including the independent non-executive Directors and excluding the Directors who are required to abstain from voting) consider that the Camera Purchase Agreements and the transactions contemplated thereunder are entered into on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole, and the terms of the Camera Purchase Agreements are fair and reasonable.

Save for Ms. Wei Ching Lien (who is an executive Director and chairperson of the Company and the wife of Mr. Chin) and Ms. Chin Chien Ya (who is a non-executive Director and the daughter of Mr. Chin), none of the Directors has a material interest in the Camera Purchase Agreements and the transactions contemplated thereunder. Accordingly, save for Ms. Wei Ching Lien and Ms. Chin Chien Ya who abstained from voting, no other Director was required to abstain from voting on the relevant Board resolutions to approve the Camera Purchase Agreements and the transactions contemplated thereunder.

INFORMATION OF THE GROUP

The Group

The Group is principally engaged in the research and development (“R&D”), production and sales of auto parts including metal and trim products, plastic products, aluminium products and battery housing products, and that of toolings and moulds.

The Group is headquartered in Taipei City and has established worldwide presence through the development of R&D, design, production and sales networks in China, the US, Mexico, Germany, the United Kingdom, Serbia, the Czech Republic, Thailand, Japan, South Korea, France and Poland. 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).

Jiaxing Minhui

Jiaxing Minhui is a wholly foreign-owned investment enterprise established in the PRC which is an indirectly wholly-owned subsidiary of the Company. Jiaxing Minhui is principally engaged in the manufacture and sales of automobile parts, including but not limited to automobile lights, rearview mirrors, sealing materials, automobile accessories; the design and development of automobile parts; research and development of the manufacturing and production methods of automobile parts; and consultation and technical support services.

Hubei Minth

Hubei Minth is a wholly foreign-owned enterprise established in the PRC which is an indirectly wholly-owned subsidiary of the Company. Hubei Minth is principally engaged in the manufacture and sales of automobile body parts.

INFORMATION OF THE OTHER PARTIES

Jiaxing Shun Min

Jiaxing Shun Min is a limited company established in the PRC which is indirectly wholly-owned by Shun On Electronic. Jiaxing Shun Min is principally engaged in the manufacturing of cameras, video recording devices and related products, and the design, production, research and development of automobile related electronic products.

Shun On Electronic

Shun On Electronic is the parent company of Jiaxing Shun Min. Shun On Electronic is a company established in Taiwan with limited liability, the shares of which are listed on the Taiwan Stock Exchange (stock code: 6283). Shun On Electronic is principally engaged in the business of automotive electronics and engineering, and is a manufacturer of computer components and membrane. Mr. Chin (the controlling shareholder of the Company) and his associates are together indirectly beneficially interested in approximately 35.12% of Shun On Electronic and is the single largest shareholder of Shun On Electronic.

LISTING RULE IMPLICATIONS

As Jiaxing Shun Min (the counterparty to the Camera Purchase Agreements) is wholly-owned by Shun On Electronic, and in turn Mr. Chin (the controlling shareholder of the Company) and his associates are together indirectly beneficially interested in approximately 35.12% of Shun On Electronic, Jiaxing Shun Min is therefore an associate of Mr. Chin and a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Camera Purchase Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios under the Listing Rules for the Camera Purchase Agreements are in aggregate more than 0.1% but less than 5%, the transactions under the Camera Purchase Agreements are only subject to the reporting, announcement and annual review requirements but are exempted from circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“2022 CCT Agreements”	(i) the agreement dated 23 February 2022 entered into between Wuhan Hesheng Automotive Parts Co., Ltd.* (武漢和盛汽車零部件有限公司) and Jiaxing Shun Min in relation to the supply of automobile camera devices from Jiaxing Shun Min; (ii) the agreement dated 23 February 2022 entered into between Guangzhou Minhui Automobile Parts Co., Ltd.* (廣州敏惠汽車零部件有限公司) and Jiaxing Shun Min in relation to the supply of automobile camera devices from Jiaxing Shun Min; (iii) the agreement dated 23 February 2022 entered into between Jiaxing Minsheng Automotive Parts Co., Ltd.* (嘉興敏勝汽車零部件有限公司) and Jiaxing Shun Min in relation to the supply of printed circuit boards assembly from Jiaxing Shun Min; (iv) the agreement dated 23 February 2022 entered into between Jiaxing Minhui Automobile Parts Co., Ltd.* (嘉興敏惠汽車零部件有限公司), Zhejiang Tianchong Vehicle Lamp Co., Ltd.* (浙江天翀車燈集團有限公司) and Jiaxing Shun Min in relation to the supply and assembly of the printed circuit board parts; and (v) the 2022 Jiaxing Camera Purchase Agreement, the details of which have been set out in the announcement of the Company dated 23 February 2022;
“2022 Jiaxing Camera Purchase Agreement”	the agreement dated 23 February 2022 entered into between Jiaxing Minhui and Jiaxing Shun Min, pursuant to which Jiaxing Shun Min agreed to supply and Jiaxing Minhui agreed to purchase automobile camera devices, parts and accessories for a term of three years commencing from 23 February 2022 to 22 February 2025 and which has been terminated with effect from 1 January 2025;
“associate(s)”	has the meaning given to it under the Listing Rules;
“Board”	the board of Directors;
“Camera Purchase Agreements”	the Hubei Camera Purchase Agreement and the Jiaxing Camera Purchase Agreement;
“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;

“controlling shareholder”	has the meaning given to it under the Listing Rules;
“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”	means the Hong Kong Special Administrative Region of the PRC;
“Hubei Camera Purchase Agreement”	the agreement dated 31 December 2024 entered into between Hubei Minth and Jiaxing Shun Min, pursuant to which Jiaxing Shun Min is to supply and Hubei Minth is to purchase automobile camera devices, parts and accessories, details of which are set out in this announcement;
“Hubei Minth”	Hubei Minth Automotive Parts Co., Ltd.* (湖北敏實汽車零部件有限公司), a company established in the PRC as a wholly foreign-owned enterprise which is indirectly wholly-owned by the Company;
“Jiaxing Camera Purchase Agreement”	the agreement dated 31 December 2024 entered into between Jiaxing Minhui and Jiaxing Shun Min, pursuant to which Jiaxing Shun Min is to supply and Jiaxing Minhui is to purchase automobile camera devices, parts and accessories, details of which are set out in this announcement;
“Jiaxing Minhui”	Jiaxing Minhui Automotive Parts Co., Ltd.* (嘉興敏惠汽車零部件有限公司), a wholly foreign-owned enterprise established in the PRC which is a wholly-owned subsidiary of the Company;
“Jiaxing Shun Min”	Jiaxing Shun Min Electronic Co., Ltd.* (嘉興淳敏電子有限公司), a company established in the PRC which is wholly-owned by Shun On Electronic;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Chin”	Mr. Chin Jong Hwa, the controlling shareholder of the Company which as at the date of this announcement is indirectly interested in approximately 38.80% of the total issued shares 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;
“Products”	the relevant automobile camera devices, parts and/or accessories;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shun On Electronic”	Shun On Electronic Co., Ltd.* (淳安電子股份有限公司), a company established in Taiwan with limited liability and the shares of which are listed on the Taiwan Stock Exchange (Stock Code 6283);
“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\$1.08. 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, 31 December 2024

As at the date of this announcement, the Board comprises Ms. Wei Ching Lien, Mr. Ye Guo Qiang and Ms. Zhang Yuxia, being executive Directors; Ms. Chin Chien Ya, being non-executive Director; and Dr. Wang Ching, Mr. Mok Kwai Pui Bill, Mr. Tatsunobu Sako and Professor Meng Li Qiu being independent non-executive Directors.

* *For identification purpose only*