

 Early Warning System

IFC-48675

Minth Loan



Quick Facts

| | |
|-------------------------|---|
| Countries | Poland, Serbia |
| Specific Location | Serbia and Poland |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Proposed |
| Bank Risk Rating | B |
| Borrower | Minth Group Limited |
| Sectors | Industry and Trade, Transport |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 213.61 million |
| Project Cost (USD) | \$ 638.68 million |



Project Description

According to the Bank's website, the proposed IFC investment will support Minth Group Limited, a leading auto parts manufacturer to set up electric vehicle ("EV") battery housing production facilities in Serbia and Poland.

The proposed IFC investment is a corporate loan of EUR 200 million to Minth Group Limited, China, to finance Minth's EUR 598 million expansion program in Serbia and Poland, primarily for EV battery housing. The two expanded programs are expected to be operational by 2025. The project contains: - Serbia: expansion of existing facilities of Minth Automotive Europe DOO (MAE) to produce battery housing, within current footprint in Loznica and with footprint expansion in Sabac to support building three production lines. Both facilities are within existing complexes of Minth subsidiaries.- Poland: expansion of the existing facility of Minth Poland in Szprotawa to produce battery housing, with footprint expansion, within the industrial zone. Minth Group is a globally recognized auto parts manufacturer, with established production capacities overseas with over 70 production facilities are working as independent legal entities in China, Czech Republic, France, Germany, Mexico, Poland, Serbia, Thailand, the United Kingdom and the United States. IFCs proposed financing will be ringfenced to MAE and Minth Poland operations only and does not include other operations of the Minth Group.



Early Warning System Project Analysis

This is a Category B project according to IFC's Policy on Environment and Social Sustainability (2012), as the proposed project is expected to have limited adverse E&S impacts that are few, site specific, largely reversible, and readily addressed through existing mitigation measures and good international industry practices (GIIP). The key E&S risks and issues associated with this investment include: a) the company's E&S management system and its organizational capacity to assess and manage E&S risks and impacts; b) contractors' E&S management; c) supply chain management; d) labor and working conditions and OHS policies and practices; e) resource efficiency measures; monitoring and management of effluents and E&S performance; f) life and fire safety risk management and emergency preparedness and response planning; g) stakeholder engagement and external grievance mechanism.



Investment Description

- International Finance Corporation (IFC)

The proposed investment is part of Minth's EUR598 million capital expenditure program to establish the Company's auto parts manufacturing base in Europe. IFC is providing a financing package of up to EUR200 million which includes an 8-year A loan up to EUR200 million to be supported by up to EUR100 million credit insurance and up to EUR21.5 million MCPP loan.



Private Actors Description

Minth's is publicly listed in the Hong Kong Stock Exchange and the Company's controlling shareholders are Mr. CHIN Jong Hwa and his wife Ms. WEI Ching Lien who collectively hold 38.7% of the shares. The rest is public float.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|--------------------|----------------------|------------------------|
| - | - | - | - | Minh Group Limited | Client | - |



Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [Environmental & Social Review Summary \(ESRS\)](#)