

*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.*



**NEW FOCUS AUTO TECH HOLDINGS LIMITED**

**新焦點汽車技術控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 360)**

**OVERSEAS REGULATORY ANNOUNCEMENT**

This announcement is made by New Focus Auto Tech Holdings Limited (the “Company”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Please refer to the attached announcement of the Company which was released on 7 August 2013 on the website of the Taiwan Stock Exchange Corporation pursuant to the rules of the Taiwan Stock Exchange Corporation.

By order of the Board  
**New Focus Auto Tech Holdings Limited**  
**HUNG Wei-Pi, John**  
Chairman

Hong Kong, 7 August 2013

*As at the date of this announcement, the directors of the Company are executive directors – HUNG Wei-Pi, John, HUNG Ying-Lien, Raymond N. CHANG, Douglas Charles Stuart FRESCO and Edward B. MATTHEW; non-executive directors – HSU Ming Chyuan and CHANG An-Li; and independent non-executive directors – DU Hai-Bo, ZHOU Tai-Ming, UANG Chii-Maw and Chih T. CHEUNG*

(上市公司)新焦點  
外國發行人重大訊息

公司代號	9106
公告序號	1
事實發生日	民國 102 年 8 月 7 日
公司名稱	新焦點汽車技術控股有限公司
主旨	修正本公司 102. 7. 22. 「新焦點合作聯盟」記者會之簡報檔內容 符合條款-第二之二條第 23 款

發生依外國發行人所屬國  
及上市地國法令規定應即  
申報之重大情事

事實發生日:102/8/7

發生事由:修正本公司 102.7.22.「新焦點合作聯盟」記者會之中.  
英簡報檔第三頁,分別做了 2 處修正。完整資訊請至公開資訊觀測  
站之法人說明會一覽表或法說會項目下查閱。



# New Focus Auto Tech Holdings Limited

## Taiwan Press Conference



July 2013  
FOR PRESS CONFERENCE ONLY

# Transaction Overview



# CDH Transaction

## Potential Partnership with the leading China-based PE



Cash (US\$ 97.37million)



New Shares & CB

### Expected Net Proceeds:

IT & Infrastructure Upgrade: 17.5%

Payment of Outstanding Loans and Payables: 21.1%

M&A / New Store Opening: 61.4%

Immediately after subscription of new Shares, CDH will become the single largest shareholder (42.8%) of NFA

42.8%

63.2%

CDH's shareholding will be further increased to 63.2% upon full exercise of the conversion rights attached to the CB

- CDH will invest US\$97.37 million by subscribing US\$48.685 million of new shares and a 5-year zero-coupon convertible bonds in the principal amount of US\$48.685 million
  - Subscription price and conversion price of the CDH CB are set at HK\$0.30 per share and HK\$0.2328 per share, respectively
  - CDH will take over the control of the board and will appoint new CFO and auditors (KPMG)



NEW FOCUS AUTO

# CDH Transaction

*Tremendous benefits that are foreseeable upon the completion of the proposed CDH investment*



**新焦点**  
NEW FOCUS AUTO



**CDH**

INVESTMENTS

鼎晖投资

New directors will enhance NFA's capability to better execute business strategies

Professional auditor with higher credibility of financials (KPMG)

High caliber service and technical professionals

A large scale of talent pool to support continued growth

- 1 Expansion capital for organic growth and selective acquisitions to further grow the business operations
- 2 Leverage on CDH's reputation and gain immediate access to the network and local knowledge of CDH in China
- 3 Recapitalization of Balance Sheet and Financial Soundness Enhancement
- 4 Introduce Additional Quality Shareholders and Improve Share Liquidity



NEW FOCUS AUTO

FOR PRESS CONFERENCE ONLY

# New directors and Management Team

## Key members of the Board of directors



**Wang Zhenyu**  
Chairman

*CDH*  
Co-founder and  
Managing Director



**John Hung**  
Vice Chairman

*NFA*  
Founder



**Raymond Chang**  
CEO

*GigaMedia, Lucky Pai*  
Founder & CEO

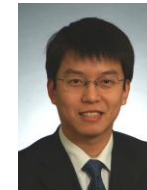


**Ying Wei**  
Non-executive  
Director  
*CDH*  
Operating Partner



**Zhang Jianxing**  
Executive Director

*CDH*  
Operating Managing  
Director



**Du Jinglei**  
Non-executive  
Director

*CDH*  
Executive Director

## 非執行獨立董事



**Hu Yuming**

*Professor at Jinan*  
*University*



**Lin Lei**

*Co-President & Joint CEO*  
*Chairman of China Hi-*  
*of Sinotrust*  
*Tech Group*  
*Corporation*



**Zhang Jie**

## 其他管理團隊成員



**Hung Ying-Lien**  
COO

*Specializing in human resources*  
*management, product*  
*management, inventory logistics*  
*and financial management*



**Lin Ming**  
CFO

*Vice President of Towona*





# Snapshot of NFA





# Overview of NFA Group

**We are a leading car after-sales service provider in Greater China with around 90 stores.** We provide automobile maintenance, car wash, professional detailing, modifications, body repair services, and the sales of auto accessory products. In addition to the car after-sales services, we also manufacture & distribute various environmental-friendly auto electronics and power-related parts and accessories mainly in North America and European markets.

## Retail Services

- Around 90 retail service chain stores in Greater China
  - Stand-alone stores providing full range of after-sales services
  - All stores are located in tier-one cities (Beijing, Shanghai, Shenzhen, Jinan, Changchun & Taiwan)
  - Formed partnership with RT-Mart; service stores opening in RT-Mart parking lots in China
  - Partnership with Michelin on lifestyle products in China and with Castrol

## Manufacturing

- Focus on automotive electronics and power related parts & accessories
- Export accounts for over 80% of its sales, key customers are Canadian Tires, Costco, Autozone and Walmart in North America
- New General Manager appointed in Jun 2012 to further improve its business

## Wholesale

- Operations across several key provinces in China
- Composed of 4 major subsidiaries:
  - Hubei Autoboom
  - Zhejiang Autoboom
  - Liaoning Xintiancheng
  - Shanghai Astrace
- Key customers include 4S stores, small-sized chain stores, and mom & pop stores

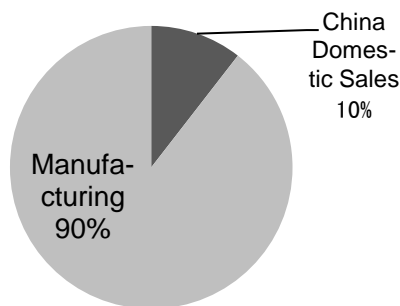
# Successful Transformation from Export Manufacturing to Service Play Focusing on Greater China Market

*Service business shows strong contribution to the Group's P&L*

## Sales Breakdown 2006 vs.2012

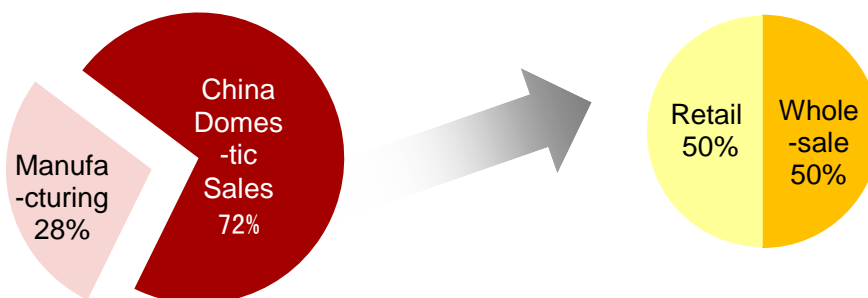
**2006**

Total sales = RMB533.3 million



**2012**

Total sales = RMB1,397.9 million



- Going forward, we will maintain/selectively expand its manufacturing business and keep its position as one of the key players in the segment
- It is our intention to increase focus on the business development and expansion of the auto service market

# Distribution & Store Location

## Number of B2C store (as of end of June 2013)

Region	# of stores
<b>East China</b>	<b>16</b>
Shanghai New Focus (One-Stop)	3
Shanghai New Focus (Rt-Mart)	13
<b>Taiwan</b>	<b>22</b>
Taiwan New Focus	19
IPO	3
<b>South China</b>	<b>8</b>
Shenzhen New Focus	8
<b>North China</b>	<b>26</b>
Aiyihang(Beijing)	16
Aiyihang(Jinan)	10
<b>Northeast</b>	<b>16</b>
Guangda	16
<b>Total</b>	<b>88</b>

## Number of B2B store (as of end of June 2013)

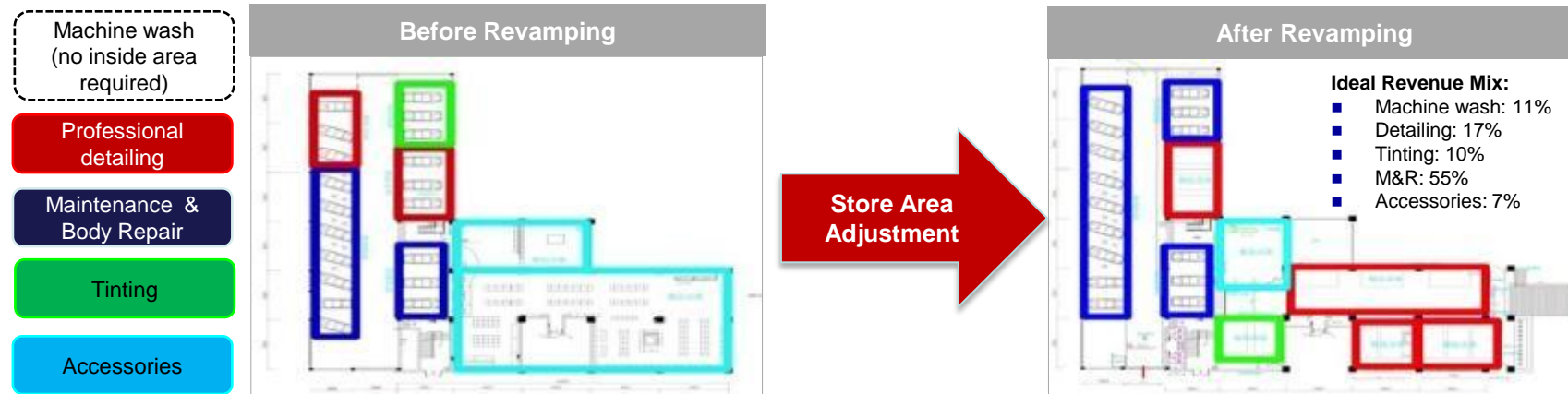
Subsidiary	# of stores
Zhejiang Autoboom	5
Xintiancheng	7
Astrace	1
Hubei Autoboom	3
<b>Total</b>	<b>16</b>



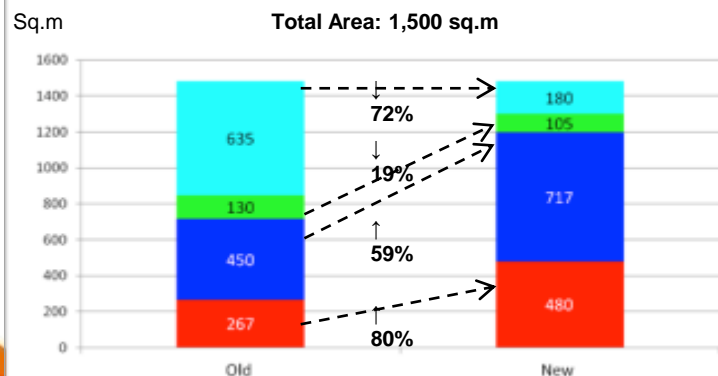
# Significant Operational Improvements

*New store format proven to yield more traffic and financial benefits*

## Store Revamping: Old Store vs. New Store Layouts



## Segment Area Alteration



**Renovated layout of Wuzhong Store in Shanghai**

# Significant Operational Improvements (con't)

*New store format proven to yield more traffic and financial benefits*



After renovation:  
360 cars/day

Machine and  
Hand Wash

Professional  
Detailing

Modification

Maintenance  
and Body Repair

Accessories

Daily  
Customers  
Number

60%

8%

2%

20%

10%



**Renovated layout of Wuzhong Store in Shanghai**



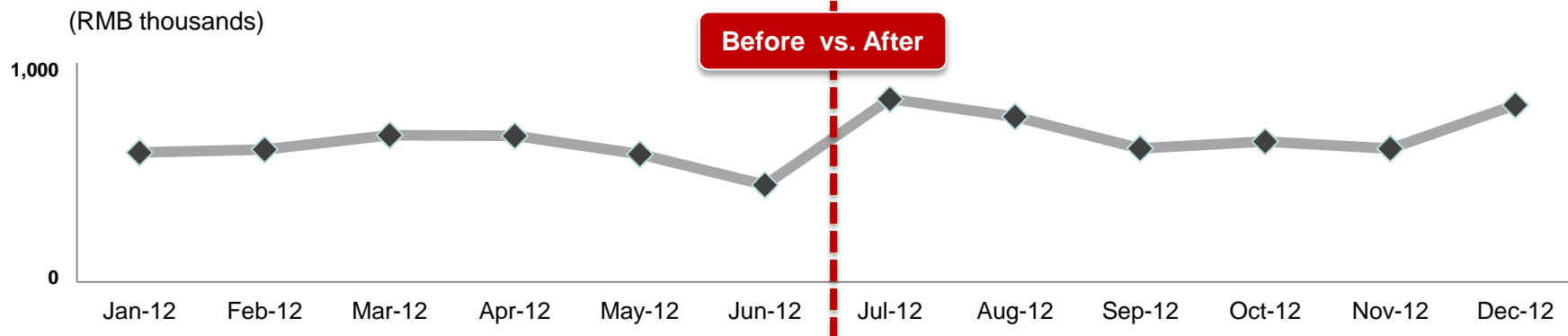
NEW FOCUS AUTO



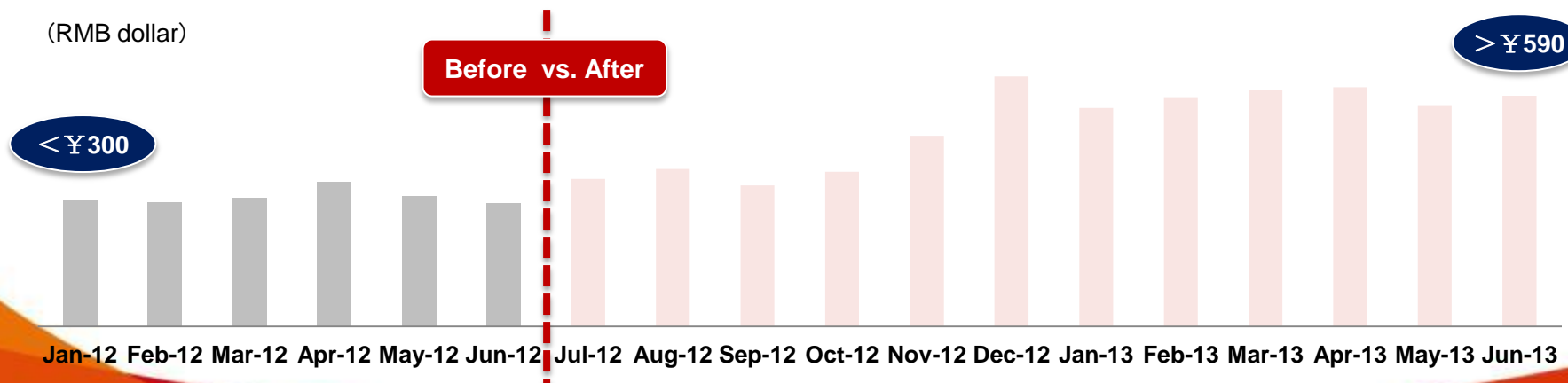
# Significant Operational Improvements (con't)

*New store format proven to yield more traffic and financial benefits*

Monthly sales of Shanghai stand-alone stores before vs. after renovation



Average order size of Shanghai stand-alone stores before vs. after renovation



# Business Strategies and Key Development Fields

## *Cooperation between market leaders: Entering into strategic alliance agreement with Mobil & Michelin*

### "Signature Oil Change"



- Partner with Mobil to launch state-of-art "Signature Oil Change" program, which will be offered in all NFA retail service chain network, and it will become the "focus service" of NFA maintenance & repair services.
- Automatic equipment to ensure the quality and efficiency of services, and providing customers the fastest and the most price competitive service

*From July, 2013*

### Exclusive Licensing Partnership



- NFA reached a preliminary agreement with Michelin Corporation for an **exclusive partnership** for the "Michelin Life Style Program". The **first partnership** of this kind for Michelin in **Asia Pacific**
- Full range of Michelin auto accessory products available in **all NFA's existing & future retail service outlets**. Opportunity for NFA manufacturing to develop & manufacture a range of licensed products to sell both in **Greater China** region and to **Michelin's North America & Europe distribution networks**

*From January, 2013*



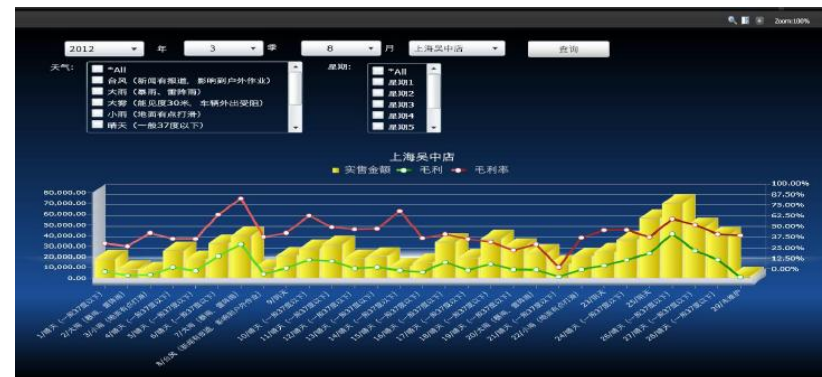
# Business Strategies and Key Development Fields (con't)

## Car plate recognition system and comprehensive customer data base

Maintain customer data on a timely basis

Full-scope data base to provide detailed store performance for further analysis

- Step 1:** Capture the car plate number
- Step 2:** Customer profile build-up, automobile check-up status and customer shopping preference
- Step 3:** Keep the record to support future up-sales and to conduct detailed analysis



Machine Wash Complete



# Disclaimer

This presentation contains certain forward-looking statements which include, but not limited to, the following:

- Statements of plans or objectives for future operations or of future competitive position;
- Expectations of future economic performance; and
- Statements of assumptions underlying several of the foregoing types of statements.

Also words such as “anticipate”, “believe”, “estimate”, “intend”, “may”, “will”, “expect”, “plan”, “project” “should” and similar expressions are intended to identify forward-looking statements. The forward-looking statements reflect the judgment of the management of New Focus Auto Tech Holdings (“New Focus Auto” or “NFA”, together with its subsidiaries, “NFA Group”) based on factors currently known to it. No assurances can be given that these forward-looking statements will prove accurate and correct, or that anticipated, projected future results will be achieved. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Such risks and uncertainties include, but are not limited to, changes in general economic and social environment, business, political and legal conditions, fluctuating currency exchange rates and interest rates, price and sales risks associated with a market environment subject to competition, changes in the price and availability of supplies, actions by competitors, application of new or changed accounting standards or other government agency regulations, changes in, or the failure to comply with, laws or regulations, changing governmental policies and regulatory actions with respect to the acquisition, disposal, depreciation and amortization of assets and facilities, operation of plant facilities, disruption or interruption due to accidents or other unforeseen events, the inability to obtain or to obtain on acceptable terms and necessary regulatory approvals regarding future transactions, the inability to integrate successfully new companies within the NFA Group to realize synergies from such integration and finally potential liability for remedial actions under existing or future regulations and potential liability resulting from pending or future litigation. Any forward-looking statement speaks only as of the date on which it is made. New Focus Auto neither intends to nor assumes any obligation to update these forward-looking statements. For additional information, investors are referred to New Focus Auto’s latest annual report and to other filings with the Stock Exchange of Hong Kong Limited and to all additional information published on New Focus Auto's Internet Web site.