

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)

COMPLETION OF TRANSACTIONS UNDER PLACING AGREEMENT, MANAGEMENT SUBSCRIPTION AGREEMENT, STIC AMENDMENT DEED AND INVESTMENT AGREEMENT AND CHANGE OF AUDITORS

COMPLETION OF TRANSACTIONS

The Directors are pleased to announce that all the conditions precedent set out in the Placing Agreement, the Management Subscription Agreement, the STIC Amendment Deed and the Investment Agreement have been satisfied or otherwise waived (where permissible) and completion of the Transactions took place on 28 August 2013.

CHANGE OF AUDITORS

The Company has formally appointed KPMG to replace BDO Limited as the auditors of the Company effective from 28 August 2013.

Reference is made to the announcement of New Focus Auto Tech Holdings Limited (the “**Company**”) dated 26 June 2013 (the “**Announcement**”), the circular of the Company to its shareholders dated 17 July 2013 (the “**Circular**”), the announcement of the Company on the results of the voting in the extraordinary general meeting of the shareholders of the Company dated 9 August 2013 and the announcement of the Company dated 13 August 2013. Terms used in this announcement shall have the same meanings as those defined in the Circular unless the context requires otherwise.

* *For identification purposes only*

The Directors are pleased to announce that all conditions precedent under the Placing Agreement, the Management Subscription Agreement, the STIC Amendment Deed and the Investment Agreement, including but not limited to the obtaining of the necessary approvals of the Independent Shareholders and regulatory authorities, have been fulfilled or otherwise waived (where permissible). The completion (the “**Completion**”) of transactions contemplated under the Placing Agreement, the Management Subscription Agreement, the STIC Amendment Deed and the Investment Agreement (the “**Transactions**”) took place on 28 August 2013 in accordance with the terms and conditions therein.

COMPLETION OF THE PLACING AGREEMENT

On 28 August 2013, 1,008,804,000 new Placing Shares were placed by the Placing Agent to more than six (6) Independent Placees, who are not Shareholders as at the Book-Building Date of 21 August 2013, pursuant to the Placing Agreement at the Placing Price of HK\$0.30 per Placing Share. The 1,008,804,000 Placing Shares represent (i) approximately 161.6% of the existing issued share capital of the Company as at the date of this announcement but before the Completion; and (ii) approximately 34.2% of the issued share capital of the Company immediately upon the Completion (before the exercise of any conversion rights attached to the Convertible Bonds).

COMPLETION OF THE MANAGEMENT SUBSCRIPTION AGREEMENT

On 28 August 2013, 51,866,667 new Management Subscription Shares were allotted and issued to Ms. Wang Chin-wei, Mr. Chang’s spouse, at the Management Subscription Price of HK\$0.30 pursuant to the terms of the Management Subscription Agreement. The 51,866,667 Management Subscription Shares represent (i) approximately 8.3% of the existing issued share capital of the Company as at the date of this announcement but before the Completion; and (ii) approximately 1.8% of the issued share capital of the Company immediately upon the Completion (before the exercise of any conversion rights attached to the Convertible Bonds).

REDEMPTION OF EXISTING CONVERTIBLE BONDS

On 28 August 2013, upon the completion of the Placing and the Management Subscription, the Company redeemed, by using the proceeds from the Placing and the Management Subscription, the Existing Convertible Bonds from the STIC Entities in full at an aggregate redemption price of US\$40,000,000 in accordance with the terms of the Existing Convertible Bonds as amended by the STIC Amendment Deed, upon which the liabilities and obligations of the Company under the Existing Convertible Bonds were cancelled.

COMPLETION OF THE INVESTMENT AGREEMENT

On 28 August 2013, pursuant to the terms of the Investment Agreement:

- (i) 1,262,564,333 new Investor Subscription Shares were allotted and issued to the Investor at the Investor Subscription Price of HK\$0.30 per Share, settled in US dollars; and
- (ii) the Convertible Bonds in the aggregate principal amount of US\$48,685,000 were issued to the Investor at the same principal amount, settled in US dollars.

The 1,262,564,333 Investor Subscription Shares represent (i) approximately 202.2% of the existing issued share capital of the Company as at the date of this announcement but before the Completion; and (ii) approximately 42.8% of the issued share capital of the Company immediately upon the Completion (before the exercise of any conversion rights attached to the Convertible Bonds).

CHANGE OF AUDITORS

As approved by the Shareholders at the EGM as a condition precedent to the Investment Agreement, the Directors have formally appointed KPMG as the auditors of the Company effective from 28 August 2013. In this connection, BDO Limited, the existing auditors of the Company, resigned on 28 August 2013 and has confirmed that there are no matters or circumstances connected with their resignation which should be brought to the attention of the Shareholders.

The Directors confirm that there are no matters or circumstances in respect of the resignation of BDO Limited which should be brought to the attention of the Shareholders.

THE MANAGEMENT INCENTIVE SCHEME

As the resolutions in respect of the Management Incentive Scheme and the grant of Management Options thereunder were not approved by the Shareholders at the EGM on 9 August 2013, the adoption of the Management Incentive Scheme and the grant of Management Options did not proceed.

GENERAL

Set out below is the shareholding structure of the Company (i) as at the date of this announcement immediately before the Completion; (ii) immediately upon the Completion but before the conversion of the Convertible Bonds; and (iii) upon the full conversion of the Convertible Bonds:

Shareholders	As at the date of this announcement but before the Completion		Upon the Completion but before the conversion of the Convertible Bonds		Upon the Completion and the conversion of the Convertible Bonds (assuming full conversion at the initial Conversion Price of HK\$0.2328) (Note 1)	
	No. of Shares	% (approx.)	No. of Shares	% (approx.)	No. of Shares	% (approx.)
Mr. Hung (Note 2)	169,506,120	27.1%	169,506,120	5.8%	169,506,120	3.7%
Mr. Chang and his spouse (Note 3)	7,900,000	1.3%	59,766,667	2.0%	59,766,667	1.3%
Ms. Hung (Note 4)	383,145	0.1%	383,145	0.0%	383,145	0.0%
Other senior management (Note 5)	102,408,283	16.4%	102,408,283	3.5%	102,408,283	2.2%
The Investor	–	–	1,262,564,333	42.8%	2,889,580,226	63.2%
Independent Placees in the Placing (Note 6)	–	–	1,008,804,000	34.2%	1,008,804,000	22.1%
Public in Taiwan held under Taiwan Depository Receipts (Note 7)	89,850,000	14.4%	89,850,000	3.0%	89,850,000	2.0%
Other directors who resigned on 28 August 2013 (Note 8)	79,178,155	12.7%	79,178,155	2.7%	79,178,155	1.7%
Other public Shareholders in Hong Kong	175,196,363	28.1%	175,196,363	5.9%	175,196,363	3.8%
Total	624,422,066	100%	2,947,657,066	100%	4,574,672,959	100%
Total public shareholding (Note 9)	272,946,363	43.7%	1,413,178,330	47.9%	1,413,178,330	30.9%
The Investor and parties acting in concert with it	–	–	1,262,564,333	42.8%	2,889,580,226	63.2%

Notes:

1. Under the terms and conditions of the Convertible Bonds, the Bondholders shall not exercise any of its right to convert the Convertible Bonds into Conversion Shares to an extent that would result in the Company in breach of the public float requirement under Rule 8.08(1)(a) of the Listing Rules immediately after such conversion.
2. As at the Latest Practicable Date and the date of this announcement, Mr. Hung is the beneficial owner of the 169,506,120 Shares held by Sharp Concept Industrial Limited, the entire issued share capital of which is registered in the name of and beneficially owned by Mr. Hung. Under the SFO, Mr. Hung is deemed to be interested in all these Shares held by Sharp Concept Industrial Limited.
3. As at the Latest Practicable Date and the date of this announcement, 150,000 Taiwan Depository Receipts, representing 150,000 Shares, were registered in the name of Ms. Wang Chin-wei, spouse of Mr. Chang. Besides, 7,750,000 Shares are registered in the name of and beneficially owned by Full Chance Finance Limited, the entire issue share capital of which is registered in the name of and beneficially owned by Ms. Wang Chin-wei. Under the SFO, Mr. Chang is deemed to be interested in all these Shares beneficially owned by Ms. Wang Chin-wei and Full Chance Finance Limited. Mr. Chang resigned as an executive Director and the chief executive officer of the Company on 11 August 2013.
4. As at the Latest Practicable Date and the date of this announcement, Ms. Hung is the beneficial owner of 383,145 Shares. Ms. Hung resigned as a Director on 28 August 2013.
5. Other senior management who are existing Shareholders of the Company include shareholders, directors or senior management of the Company's non-wholly owned subsidiaries, who are not interested in or involved in any of the Transactions.
6. None of the Independent Places holds 30% or more of the total issued share capital of the Company immediately upon the Completion.
7. As at the Latest Practicable Date and the date of this announcement, out of the 90,000,000 Taiwan Depository Receipts representing 90,000,000 Shares, 150,000 Taiwan Depository Receipts were held by Ms. Wang Chin-wei, Mr. Chang's spouse. To the best of the Directors' knowledge, the 89,850,000 Shares represented by the remaining 89,850,000 Taiwan Depository Receipts were held by the public in Taiwan.
8. Mr. Douglas Charles Stuart Fresco and Mr. Edward B. Matthew.
9. The following Shares are counted as part of public shareholding: (i) Shares held by the Independent Places in the Placing; (ii) Shares held by public in Taiwan under Taiwan Depository Receipts of the Company; (iii) Other public Shareholders in Hong Kong; (iv) Shares held by Mr. Douglas Charles Stuart Fresco, Mr. Edward B. Matthew and Ms. Hung who resigned as Directors on 28 August 2013; and (v) Shares held by Mr. Chang who resigned as a Director on 11 August 2013.

By order of the Board
New Focus Auto Tech Holdings Limited
Wang Zhenyu
Chairman

Hong Kong, 28 August 2013

As at the date hereof, the Directors of the Company are: executive Director – ZHANG Jianxing; non-executive Directors – WANG Zhenyu, HUNG Wei-Pi John, YING Wei and DU Jinglei; and independent non-executive Directors – HU Yuming, LIN Lei and ZHANG Jie.

The Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.