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## **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)**

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION  
ESTABLISHMENT OF A NON WHOLLY-OWNED SUBSIDIARY  
IN SHENZHEN  
AND  
(2) CONNECTED TRANSACTION  
PROPOSED ESTABLISHMENT OF  
A NON WHOLLY-OWNED SUBSIDIARY IN SHANGHAI**

**(1) ESTABLISHMENT OF A NON WHOLLY-OWNED SUBSIDIARY IN SHENZHEN**

The Board announces that on 4 September 2024, New Focus Holdings (Beijing) (a direct wholly-owned subsidiary of the Company), Mr. Tong (the chairman of the Company and an executive Director) and Shenzhen Keshang established a new company, New Focus Newtec (Shenzhen) with a registered capital of RMB10 million, of which RMB4.5 million, RMB1.0 million and RMB4.5 million shall be contributed by New Focus Holdings (Beijing), Mr. Tong and Shenzhen Keshang, respectively. New Focus Newtec (Shenzhen) is an indirect 45%-owned subsidiary of the Company.

**(2) PROPOSED ESTABLISHMENT OF A NON WHOLLY-OWNED SUBSIDIARY IN SHANGHAI**

The Board also announces that New Focus Holdings (Beijing), New Focus Lighting & Power (Shanghai) (an indirect wholly-owned subsidiary of the Company), Mr. Tong and Tianjin Yun Qi Tian will establish a new company, New Focus Technology (Shanghai), with a registered capital of RMB10 million, of which RMB4.4 million, RMB0.1 million, RMB1.0 million and RMB4.5 million shall be contributed by New Focus Holdings (Beijing), New Focus Lighting & Power (Shanghai), Mr. Tong and Tianjin Yun Qi Tian, respectively. New Focus Technology (Shanghai) will become an indirect 45%-owned subsidiary of the Company upon its establishment.

## LISTING RULES IMPLICATIONS

Mr. Tong, being the chairman of the Company and an executive Director, is a connected person of the Company. Accordingly, the establishment of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai) with Mr. Tong constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the contributions of the Group towards the capital of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai), both on a standalone and aggregate basis, are more than 0.1% but less than 5%, the establishments are only subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

On the other hand, as the Group is one of the limited partners holding an approximately 29.03% interest in Shihezi LP, a limited partnership formed with Shenzhen Keshang (as general partner) in 2024, all applicable percentage ratios in respect of the capital contribution of the Group towards the capital of New Focus Newtec (Shenzhen) on a standalone basis is less than 5%, but if calculated on an aggregate basis with the capital contribution of RMB55 million made to Shihezi LP by the Group, one of the applicable ratios exceeds 5% but is less than 25%. Therefore, the establishment of New Focus Newtec (Shenzhen), on an aggregate basis with the formation of Shihezi LP constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## ESTABLISHMENT OF NEW FOCUS NEWTEC (SHENZHEN)

**Name of the company:** 新焦點紐泰克(深圳) 科技有限公司 (New Focus Newtec (Shenzhen) Technology Co., Ltd.\*)

<b>Shareholding structure and capital contribution:</b>	<b>Shareholders</b>	<b>Amount of committed capital contribution</b>	<b>% of capital contribution</b>
	New Focus Holdings (Beijing) (a direct wholly-owned subsidiary of the Company)	RMB4.5 million	45.00%
	Shenzhen Keshang	RMB4.5 million	45.00%
	Mr. Tong	RMB1 million	10.00%
	<b>Total</b>	<b>RMB10 million</b>	<b>100.00%</b>

The amount of capital contribution to be made by the parties are determined after arms' length negotiations between the parties with reference to the initial capital need of New Focus Newtec (Shenzhen), which shall be contributed by each of them on or before 22 August 2029, contingent upon the existence of any actual business project funding needs.

The capital commitment payable by New Focus Holdings (Beijing) will be funded by internal resources of the Group.

**Director and legal representative:** Mr. Tong is the sole director and legal representative.

**Principal business:** New Focus Newtec (Shenzhen) will be principally engaged in the sales of power distribution switching and control equipment, power electronic components, internet of things equipment, lighting appliances, intelligent vehicle-mounted equipment, fire-fighting equipment, solar thermal utilisation equipment, batteries, photovoltaic equipment and components, solar thermal utilisation products, intelligent power transmission, distribution and control equipment, and electric power facility equipment; leasing housing; software development; manufacturing of photovoltaic equipment and components, and specialised equipment for semiconductor devices; energy-saving management services; technical services for energy storage; contractual energy management; and enterprise management consultation.

**Right of first refusal:** In the event that any of the shareholders intend to sell the whole or part of its equity interest in New Focus Newtec (Shenzhen), the other shareholders shall have a right of first refusal to purchase such equity interests in New Focus Newtec (Shenzhen) on a pro rata basis unless otherwise agreed by the parties.

#### **PROPOSED ESTABLISHMENT OF NEW FOCUS TECHNOLOGY (SHANGHAI)**

**Name of the company:** 紐福克斯科技(上海)有限公司 (New Focus Technology (Shanghai) Co., Ltd.\*)

<b>Shareholding structure and capital contribution:</b>	<b>Shareholders</b>	<b>Amount of committed capital contribution</b>	<b>% of capital contribution</b>
	New Focus Holdings (Beijing)	RMB4.4 million	44.00%
	New Focus Lighting & Power (Shanghai)	RMB0.1 million	1.00%
	Tianjin Yun Qi Tian	RMB4.5 million	45.00%
	Mr. Tong	RMB1.0 million	10.00%
	<b>Total</b>	<b>RMB10 million</b>	<b>100.00%</b>

The amount of capital contribution to be made by the parties are determined after arms' length negotiations between the parties with reference to the initial capital need of New Focus Technology (Shanghai), which shall be contributed by each of them on or before 30 June 2029, contingent upon the existence of any actual business project funding needs.

The capital commitment payable by New Focus Holdings (Beijing) and New Focus Lighting & Power (Shanghai) will be funded by internal resources of the Group.

New Focus Technology (Shanghai) will become an indirect 45%-owned subsidiary of the Company upon its establishment.

**Director and legal representative:** Mr. Shao Ming, the vice president of the Company, will be the sole director and legal representative.

**Principal business:** New Focus Technology (Shanghai) will be principally engaged in the manufacturing of automotive parts and accessories, intelligent in-vehicle equipment, lighting apparatus, special equipment for the production of lighting apparatus; the provision of technical services, technical development, technical consultancy, technical exchanges, technology transfer, technology promotion, professional design services, engineering and technology research and experimental development; import and export of goods and technology.

## **INFORMATION ON THE PARTIES**

### **The Group**

The Group focuses on the research and development, manufacturing and sales of automotive electronic products, as well as the construction and development of automobile dealership networks and the research and development, sales and provision of integrated solutions for hydrogen fuel cells. The automotive electronic products that the Group produces mainly include inverters, chargers, multi-functional power packs and cooling and heating boxes, which are mainly sold to the markets of the PRC, North America and Europe. The Group's automobile dealership and services business is operated mainly in the Inner Mongolia Autonomous Region for automobile sales, automotive aftersales services, as well as the distribution of car insurance products and automobile financial products. The Group also commenced its hydrogen-fuel cell related business in the second half of 2023, which mainly provides hydrogen-related products and solutions to governments and customers in the field of the Internet Data Center.

### **New Focus Holdings (Beijing)**

New Focus Holdings (Beijing) is a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company, and is principally engaged in investment holding and internal group corporate management.

### **Shenzhen Keshang**

Shenzhen Keshang is a company established in the PRC with limited liability and is principally engaged in the development, sales, promotion and application of electronic products, including the development and sales of electronic software and hardware products, the provision of technical consulting services and carrying out domestic trade.

As at the date of this announcement, Shenzhen Keshang is wholly owned by 北京雲馳泰成科技有限公司 (Beijing Yunchi Taicheng Technology Co., Ltd.\*), which is in turn owned as to 10% and 90% by 馬也 (Ma Ye) (“**Ma Ye**”) and 天津中泰創雲企業管理中心 (有限合夥) (Tianjin Zhongtai Chuangyun Enterprise Management Center (Limited Partnership)\*) (“**Tianjin Zhongtai**”), respectively. Tianjin Zhongtai is in turn owned as to 20% and 80% by Ma Ye and 高豔 (Gao Yan), respectively.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, save that (i) Shenzhen Keshang is the general partner to Shihezi LP, a limited partnership established in the PRC in 2024 by the Group (approximately 29.03%), Lin Baowen and 11 individuals as limited partners; and (ii) Shenzhen Keshang has provided unsecured loans of RMB6.5 million to the Group due on 31 December 2024 with an interest rate of 15.4% per annum, Shenzhen Keshang and its ultimate beneficial owners are Independent Third Parties.

For further details of the formation of Shihezi LP, please refer to the announcement of the Company dated 3 April 2024.

### **New Focus Lighting & Power (Shanghai)**

New Focus Lighting & Power (Shanghai) is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company, and is the Group’s operating entity for the manufacturing business, which is principally engaged in the production and sale of automotive electronic products including inverters, chargers, multi-functional power packs and cooling and heating boxes.

### **Tianjin Yun Qi Tian**

Tianjin Yun Qi Tian is a company established in the PRC with limited liability, which is owned as to 95% by 天津雲啟天恒企業管理中心 (有限合夥) (Tianjin Yunqi Tianheng Enterprise Management Center (Limited Partnership)\*) (“**Yunqi Tianheng**”) and 5% by 陳淑凡 (Chen Shufan\*). Yunqi Tianheng is owned as to 80% by its general partner, 陳淑凡 (Chen Shufan\*), and 20% by its limited partner, 高斌 (Gao Bin\*). Tianjin Yun Qi Tian is principally engaged in investment management and provision of related consultancy services.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, save that Tianjin Yun Qi Tian is the general partner to 天津宏卓企業管理中心 (有限合夥) (Tianjin Hongzhuo Enterprise Management Center (Limited Partnership)\*), a limited partnership established in the PRC in 2023 by the Group (approximately 48.24%), 焰石鴻源11號 (平潭) 投資合夥企業 (有限合夥) (Yanshi Hongyuan 11 (Pingtan) Investment Partnership (Limited Partnership)) as general partner and executive partner, and 北京嘻福科技有限公司 (Beijing Xifu Technology Co., Ltd.\*) as limited partner, Tianjin Yun Qi Tian and its ultimate beneficial owners are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE ESTABLISHMENTS**

### **New Focus Newtec (Shenzhen)**

Shenzhen being a hub for technological innovation, with ample potential development and business opportunities for technology-based projects related to the automotive and electronics industries, it is in the Group's interests to establish a presence in the city to make use of such opportunities and maintain its competitiveness.

Shenzhen Keshang has extensive industry experience in technology services and product promotion, particularly in the city of Shenzhen, making it a suitable partner for the Group in this endeavour. Meanwhile, Mr. Tong is the chairman of the Company and an executive Director, as well as the legal representative of New Focus Holdings (Beijing). He holds a 10% equity interest in New Focus Newtec (Shenzhen) to facilitate its future implementation of an employee incentive scheme.

### **New Focus Technology (Shanghai)**

The establishment of New Focus Technology (Shanghai) is for the purpose of creating a corporate platform for communications and negotiations with local authorities relating to the factory relocation matters due to the property expropriation as detailed in the announcement of the Company dated 13 May 2024.

Apart from Mr. Tong, none of the Directors had a material interest in the establishment of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai), or was required to abstain from voting on the relevant resolutions of the Board.

The Directors (including the independent non-executive Directors) consider that the establishment of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai) are made in the ordinary and usual course of business of the Group, and that the terms of their establishment are on normal commercial terms and are fair and reasonable, and that such establishments are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Mr. Tong, being the chairman of the Company and an executive Director, is a connected person of the Company. Accordingly, the establishment of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai) with Mr. Tong constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the contributions of the Group towards the capital of New Focus Newtec (Shenzhen) and New Focus Technology (Shanghai), both on a standalone and aggregate basis, are more than 0.1% but less than 5%, the establishments are only subject to the reporting and announcement requirements and are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.



On the other hand, as the Group is one of the limited partners holding an approximately 29.03% interest in Shihezi LP, a limited partnership formed with Shenzhen Keshang (as general partner) in 2024, all applicable percentage ratios in respect of the capital contribution of the Group towards the capital of New Focus Newtec (Shenzhen) on a standalone basis is less than 5%, but if calculated on an aggregate basis with the capital contribution of RMB55 million made to Shihezi LP by the Group, one of the applicable ratios exceeds 5% but is less than 25%. Therefore, the establishment of New Focus Newtec (Shenzhen), on an aggregate basis with the formation of Shihezi LP constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **NON-COMPLIANCE**

The Company deeply regrets that it did not duly comply with the notification and announcement requirements under Chapter 14 and Chapter 14A of the Listing Rules by omitting to issue an announcement at the time of the establishment of New Focus Newtec (Shenzhen) in this early September 2024. The Company wishes to apologize in this regard and now publishes this announcement to provide details of the said transaction.

The Company has existing internal policies and procedures to govern the notifiable and connected transactions of the Group, however, the Company noted that members of the Board and relevant staff of the Company did not fully comprehend and/or strictly follow with the Group's relevant internal policies and procedures. The Company deeply regrets such oversight which resulted in its non-compliance with the relevant notifiable and connected transaction requirements under Chapter 14 and Chapter 14A of the Listing Rules and would like to stress that such non-compliance was inadvertent and unintentional.

To avoid future occurrences of similar non-compliance of the Listing Rules, the Company will implement the following reinforcement measures and procedures on the basis of its existing internal control systems:

- (i) the Company will provide further training to the Directors, senior management and relevant staff in relation to the requirements under the Listing Rules, particularly those concerning notifiable and connected transactions;
- (ii) the Company will circulate to the management and related departments of the Group the relevant Listing Rules and the Company's procedures regarding timely reporting to the Board about potential notifiable and connected transactions; and
- (iii) the Company will review, strengthen and continue to monitor the implementation of relevant internal control policies, procedures and measures of the Group to ensure that current and future transactions will be conducted in compliance with the applicable requirements under the Listing Rules (particularly those concerning notifiable and connected transactions) and the relevant rules and regulations.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings when used herein:

“Board”	the board of Directors
“Company”	New Focus Auto Tech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Tong”	Mr. Tong Fei, the chairman of the Company and an executive Director
“New Focus Holdings (Beijing)”	新焦點控股(北京)有限公司 (New Focus Holdings (Beijing) Co., Ltd.*), a company incorporated in the PRC with limited liability, a direct wholly-owned subsidiary of the Company
“New Focus Lighting & Power (Shanghai)”	紐福克斯光電科技(上海)有限公司 (New Focus Lighting and Power Technology (Shanghai) Co., Ltd.*), a company incorporated in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
“New Focus Newtec (Shenzhen)”	新焦點紐泰克(深圳)科技有限公司 (New Focus Newtec (Shenzhen) Technology Co., Ltd.*), a company incorporated in the PRC with limited liability, being an indirect 45%-owned subsidiary of the Company
“New Focus Technology (Shanghai)”	紐福克斯科技(上海)有限公司 (New Focus Technology (Shanghai) Co., Ltd.*), a company to be incorporated in the PRC with limited liability, which will become an indirect 45%-owned subsidiary of the Company



“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Shenzhen Keshang”	深圳市可上科技有限公司 (Shenzhen Keshang Technology Co., Ltd.*), a company incorporated in the PRC with limited liability, being one of the shareholders of New Focus Newtec (Shenzhen)
“Shihezi LP”	石河子怡科股權投資合夥企業 (有限合夥) (Shihezi Yike Equity Investment Partnership (Limited Partnership)*), a limited partnership established in the PRC in 2024 in which the Group as a limited partner has a 29.03% interest
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Yun Qi Tian”	天津雲啟天科技有限公司 (Tianjin Yun Qi Tian Technology Co., Ltd*), a company incorporated in the PRC with limited liability

By order of the Board  
**New Focus Auto Tech Holdings Limited**  
**Tong Fei**  
*Chairman and Executive Director*

Hong Kong, 26 September 2024

*As at the date of this announcement, the Directors are: executive Director – TONG Fei; and independent non-executive Directors – LI Qingwen, ZHANG Kaizhi and LUO Baiyun.*

\* *For identification purposes only*