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NEW FOCUS AUTO TECH HOLDINGS LIMITED

新焦点汽車技術控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 360)

DISCLOSEABLE TRANSACTION DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

THE CAPITAL INCREASE AGREEMENT

The Board is pleased to announce that, on 17 November 2025, New Focus Lighting & Power (Shanghai) (an indirect wholly-owned subsidiary of the Company) and Zhongrong Juxin, as an investor, entered into the Capital Increase Agreement, pursuant to which Zhongrong Juxin has agreed to inject RMB100,000,000 (equivalent to approximately USD14.0 million) into New Focus Lighting & Power (Shanghai) for 10.0% equity interest in New Focus Lighting & Power (Shanghai). Upon completion of the Capital Injection, New Focus Lighting & Power (Shanghai) will be owned as to approximately 90.0% by the Group and approximately 10.0% by Zhongrong Juxin, respectively. New Focus Lighting & Power (Shanghai) will remain as a subsidiary of the Company and the financial results of New Focus Lighting & Power (Shanghai) will continue to be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

As the Company's interest in New Focus Lighting & Power (Shanghai) will be diluted from 100.0% to approximately 90.0% upon completion of the Capital Injection, the transactions contemplated under the Capital Increase Agreement constitute a deemed disposal under Rule 14.29 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Deemed Disposal exceed 5% but all are less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE CAPITAL INCREASE AGREEMENT

The principal terms of the Capital Increase Agreement are summarised below:

Date

17 November 2025

Parties

(a) New Focus Lighting & Power (Shanghai); and

(b) Zhongrong Juxin, as an investor.

(each a “**Party**”, and collectively, the “**Parties**”)

Capital Injection

As at the date of this announcement, the registered capital of New Focus Lighting & Power (Shanghai) is USD67,800,000 (equivalent to approximately RMB484.3 million, which is wholly owned by the Group.

Pursuant to the Capital Increase Agreement, Zhongrong Juxin has agreed to inject RMB100,000,000 (equivalent to approximately USD14.0 million) into New Focus Lighting & Power (Shanghai), of which USD7,530,000 (equivalent to approximately RMB53.8 million) will be contributed as the registered capital of New Focus Lighting & Power (Shanghai) and the remaining amount of approximately RMB46.2 million will be contributed as its capital reserve.

The table below sets out the respective percentages of the registered capital of New Focus Lighting & Power (Shanghai) held by its shareholders as at the date of this announcement and immediately following completion of the Capital Injection:

Shareholders	As at the date of this announcement		Immediately following completion of the Capital Injection	
	Registered capital subscribed (USD'000)	%	Registered capital subscribed (USD'000)	% (Approximate)
The Group	67,800	100.00	67,800	90.00
Zhongrong Juxin	—	—	7,530	10.00
Total	<u>67,800</u>	<u>100.00</u>	<u>75,330</u>	<u>100.00</u>

Consideration and Payment

The injection of RMB100,000,000 (equivalent to approximately USD14.0 million) shall be settled in cash, assets or such other ways of contributions as mutually agreed upon by New Focus Lighting & Power (Shanghai) and Zhongrong Juxin, which shall be payable and/or settled by Zhongrong Juxin by 30 June 2029. In the event that non-cash contribution is made by Zhongrong Juxin in accordance with the Capital Increase Agreement, further announcement will be made by the Company as and when appropriate in accordance with the Listing Rules.

The amount of the Capital Injection was determined after arm's length negotiations between the parties after taking into account the financial position, business performance and the business prospect of New Focus Lighting & Power (Shanghai).

The proceeds of the Capital Injection will be used solely for the daily operation and the business development of New Focus Lighting & Power (Shanghai).

Business Cooperation and Performance Targets

Zhongrong Juxin has the required resources that are synergistic with the Group's operations. It is agreed that Zhongrong Juxin will collaborate with members of the Group, in particular, New Focus Lighting & Power (Shanghai) in various business cooperations.

Zhongrong Juxin shall be committed to use its effort to provide necessary support, including business assistance, customer resources, technical training, and market consulting, to members of the Group, to facilitate the revenue and/or the net profit of the Group for the next four financial years to be improved and increased as targeted below.

In the event that the targeted total revenue to be increased for any one of the financial years or the targeted cumulative total revenue to be increased or the targeted cumulative net profit to be increased of the Group, as outlined below, were not met by the end of 2028, New Focus Lighting & Power (Shanghai) shall be entitled to repurchase all equity interests held by Zhongrong Juxin in New Focus Lighting & Power (Shanghai) at a price equivalent to the actual cash contributions made by Zhongrong Juxin. Such projection is determined solely for determining the repurchase threshold and shall not be regarded directly or indirectly as the respective revenue, profitability or trading prospects of the Group.

Financial Years	Revenue (RMB'000)	Net Profit (RMB'000)
2025	200,000	N/A
2026	400,000	N/A
2027	800,000	N/A
2028	1,500,000	N/A
Total	<u>2,900,000</u>	<u>145,000</u>

Completion

Completion of the Capital Increase Agreement shall take place within 45 business days after the date of the Capital Increase Agreement and the completion shall take place once Zhongrong Juxin is registered as a shareholder of New Focus Lighting & Power (Shanghai) and the new registered capital of New Focus Lighting & Power (Shanghai) has been updated at the Shanghai Municipal Administration for Market Regulation.

CONCERT PARTY AGREEMENT

Upon completion of the Capital Increase Agreement, Perfect Progress (a direct wholly-owned subsidiary of the Company and the direct holder of the equity interests in New Focus Lighting & Power (Shanghai)), will enter into the Concert Party Agreement with Zhongrong Juxin, pursuant to which Zhongrong Juxin irrevocably appoints Perfect Progress as its agent and Perfect Progress shall have the right to exercise (i) certain shareholder's rights of Zhongrong Juxin in New Focus Lighting & Power (Shanghai), namely the right to (a) elect and replace directors or supervisors; (b) decide on matters concerning the remuneration of directors or supervisors; (c) review and approve the reports submitted by the board of directors or the supervisory board; (d) amend the articles of association; (e) review and approve the profit distribution plan, the change in the registered capital, the issuance of bond, or any merger, separation, dissolution or liquidation of New Focus Lighting & Power (Shanghai); and (ii) the voting rights of Zhongrong Juxin at the shareholders' meeting(s) of New Focus Lighting & Power (Shanghai) as permitted under the laws of the PRC and the articles of association of New Focus Lighting & Power (Shanghai). The Concert Party Agreement shall be effective as long as Zhongrong Juxin remains as a holder of the equity interests in New Focus Lighting & Power (Shanghai).

INFORMATION OF THE PARTIES

The Group

The Group focuses on the research and development (“**R&D**”), manufacturing and sales of automotive electronic products, as well as the construction and development of automobile dealership networks and the R&D, 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-fuel cell related products and solutions to governments and customers in the field of the Internet Data Center.

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, multifunctional power packs and cooling and heating boxes.

In the audited consolidated financial statements for the two financial years ended 31 December 2023 and 31 December 2024 prepared by the Group in accordance with International Financial Reporting Standards, the revenue and the net losses before and after taxation of New Focus Lighting & Power (Shanghai) and its subsidiaries are set out below:

	For the year ended 31 December	
	2024 <i>(RMB'000)</i>	2023 <i>(RMB'000)</i>
Revenue	442,256	473,892
Loss before taxation	(28,208)	(63,480)
Loss after taxation	(28,255)	(67,629)

In the unaudited consolidated financial statements for the six months ended 30 June 2025 prepared by the Group in accordance with International Financial Reporting Standards, the total assets and net assets of New Focus Lighting & Power (Shanghai) and its subsidiaries are approximately RMB1,616,665,000 and RMB(92,560,000), respectively.

Zhongrong Juxin

Zhongrong Juxin is a company established in the PRC with limited liability, which is owned as to 80%, 10% and 10% by Shen Li, Wang Ya Pei and Shen Tong, respectively. It is principally engaged in project investment, investment management, assets management, investment consulting, economic and trade consulting, corporate planning and corporate management consulting.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Zhongrong Juxin and its ultimate beneficial owners are Independent Third Parties.

FINANCIAL EFFECTS OF THE DEEMED DISPOSAL

Upon completion of the Capital Increase Agreement, the registered capital of New Focus Lighting & Power (Shanghai) will be increased from USD67,800,000 to USD75,330,000, which will be owned as to approximately 90.0% by the Group and approximately 10.0% by Zhongrong Juxin. New Focus Lighting & Power (Shanghai) will continue to be a 90%-owned subsidiary of the Company and the financial results of New Focus Lighting & Power (Shanghai) will continue to be consolidated into the financial statements of the Group after completion of the Capital Injection.

The Deemed Disposal will not generate any expected gain or loss. As the Capital Injection will not result in the loss of the Company's control over New Focus Lighting & Power (Shanghai), the Deemed Disposal will be accounted as an equity transaction that will not result in the recognition of any gain or loss in profit or loss by the Company.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE CAPITAL INCREASE AGREEMENT

The Capital Injection will enable New Focus Lighting & Power (Shanghai) to introduce a new shareholder which will bring in additional capital to New Focus Lighting & Power (Shanghai) for its growth and development. Taking into account the business resources possessed by Zhongrong Juxin, the Board believes that Zhongrong Juxin will bring in new and synergistic business development opportunities to members of the Group, in particular, New Focus Lighting & Power (Shanghai), and provide various business and operational support to the Group and consequently improving the Group's overall business operations and financial performance.

The Board (including the independent non-executive Directors) is of the view that the terms of the Capital Increase Agreement and the transaction contemplated thereunder are determined after arm's length negotiations between the Parties thereto and are fair and reasonable, and the entering into of the Capital Increase Agreement and the transaction contemplated thereunder are on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the Company's interest in New Focus Lighting & Power (Shanghai) will be diluted from 100.0% to approximately 90.0% upon completion of the Capital Increase Agreement, the transactions contemplated under the Capital Increase Agreement constitute a deemed disposal under Rule 14.29 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Deemed Disposal exceed 5% but all are less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Capital Increase Agreement”	the capital increase agreement dated 17 November 2025 entered into between New Focus Lighting & Power (Shanghai) and Zhongrong Juxin in relation to the Capital Injection
“Capital Injection”	the capital injection of RMB100,000,000 by Zhongrong Juxin to New Focus Lighting & Power (Shanghai)
“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
“Concert Party Agreement”	the concert party agreement to be entered into between Perfect Progress and Zhongrong Juxin upon completion of the Capital Increase Agreement
“Deemed Disposal”	the dilution of the Group’s equity interest in New Focus Lighting & Power (Shanghai) from 100.0% to approximately 90.0% pursuant to the Capital Increase Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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
“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 as at the date of this announcement
“Perfect Progress”	Perfect Progress Investments Limited, a direct wholly-owned subsidiary of the Company and the direct holder of the equity interest in New Focus Lighting & Power (Shanghai)

“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”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“USD”	United States dollar, the lawful currency of the United States of America
“Zhongrong Juxin”	中融聚鑫投資管理有限公司 (Zhongrong Juxin Investment Management Limited*), a company incorporated in the PRC with limited liability, being the new investor to New Focus Lighting & Power (Shanghai)
“%”	per cent.

By Order of the Board
New Focus Auto Tech Holdings Limited
TONG Fei
Chairman and Executive Director

Hong Kong, 17 November 2025

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

For the purpose of this announcement, unless otherwise specified, the conversion of RMB into USD is based on the approximate exchange rate from RMB1 to USD0.14038. The exchange rate is adopted for illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rate at all.

* For identification purposes only