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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) AMENDMENTS TO THE TERMS AND CONDITIONS OF
THE EXISTING CONVERTIBLE NOTES**
- (2) EXTENSION OF LONG STOP DATE IN RELATION TO
THE FIRST SUBSCRIPTION AGREEMENT**
- (3) TERMINATION OF THE SECOND SUBSCRIPTION AGREEMENT
AND**
- (4) DELAY IN DESPATCH OF CIRCULAR IN RELATION
TO THE ACQUISITION**

AMENDMENTS TO THE EXISTING CONVERTIBLE NOTES

On 25 April 2018, the Company, the Existing Convertible Notes Holder and CDH entered into the Deed of Waiver and Amendments to, among other things, amend the Terms and Conditions in relation to the exercise of the Conversion Rights in the event that immediately after the issuance of Conversion Shares pursuant to an exercise of the Conversion Rights, the Noteholder will become a Substantial Shareholder.

Save for the Amendments, all other principal terms of the Existing Convertible Notes as disclosed in the Convertible Notes Issuance Announcements remain unchanged.

Pursuant to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has applied for, and the Stock Exchange has granted, the approval for the Amendments under Rule 28.05 of the Listing Rules.

* For identification purposes only

EXTENSION OF LONG STOP DATE IN RELATION TO THE FIRST SUBSCRIPTION AGREEMENT

As additional time is required for the Company and the First Subscriber to satisfy certain Conditions under the First Subscription Agreement entered into between the Company and the First Subscriber in relation to the subscription of 1,904,761,905 First Subscription Shares at the Subscription Price of HK\$0.42 per First Subscription Share, on 25 April 2018, the Company and the First Subscriber entered into the Supplemental Agreement, pursuant to which the Company and the First Subscriber have agreed to extend the Long Stop Date to 30 September 2018. Save as disclosed above, all other terms of the First Subscription Agreement remain in full force and effect.

TERMINATION OF THE SECOND SUBSCRIPTION AGREEMENT

On 25 April 2018, the Company and the Second Subscriber entered into the Deed of Termination after arm's length negotiations to terminate the Second Subscription Agreement with effect from 25 April 2018. Pursuant to the Deed of Termination, each of the parties under the Second Subscription Agreement irrevocably releases, discharges and waives the other party from, among other things, claims for liabilities which one party may have against the other for any matter arising out of the Second Subscription Agreement, and the performance of its/her present and future obligations under the Second Subscription Agreement. Notwithstanding the Termination, the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, remains in full force and effect.

DELAY IN DESPATCH OF CIRCULAR IN RELATION TO THE ACQUISITION

As disclosed in the Acquisition Announcement, the Acquisition Circular containing, among other things, (i) further information on the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Equity Transfer Agreement and the transactions contemplated thereunder; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its recommendation in respect of the Equity Transfer Agreement and the transactions contemplated thereunder; (iv) the financial and other information on the Group; (v) the financial and other information on the Target Group; (vi) the pro forma financial information of the Enlarged Group upon completion of the Acquisition; and (vii) the notice of the extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve, among other things, the Equity Transfer agreement and the transactions contemplated thereunder, is expected to be despatched to the Shareholders on or before 30 April 2018.

As additional time is required to prepare and finalise certain information to be included in the Acquisition Circular, it is expected that the dispatch date of the Acquisition Circular will be postponed to a date falling on or before 30 June 2018.

Reference is made to (i) the Convertible Notes Issuance Announcements in relation to, among other things, the issue of the Existing Convertible Notes; (ii) the Share Issuance Announcement in relation to, among other things, the proposed issuance of an aggregate of 2,380,952,382 Subscription Shares by the Company under the Specific Mandate; and (iii) the Acquisition Announcement in relation to, among other things, the Acquisition.

AMENDMENTS TO THE EXISTING CONVERTIBLE NOTES

As disclosed in the Convertible Notes Issuance Announcements, on 21 August 2017, the Company entered into the Convertible Note Purchase Agreement with the Existing Convertible Notes Holder, pursuant to which the Company has conditionally agreed to issue and the Existing Convertible Notes Holder has conditionally agreed to purchase the Existing Convertible Notes in an aggregate principal amount of US\$35,000,000 due in 2019. The closing of the issue of the Existing Convertible Notes took place on 1 September 2017.

As at the date of this announcement, the Existing Convertible Notes in the principal amount of US\$25,000,000 remain outstanding and are solely held by the Existing Convertible Notes Holder.

The Amendments

On 25 April 2018, the Company, the Existing Convertible Notes Holder and CDH entered into the Deed of Waiver and Amendments to, among other things, amend the Terms and Conditions in relation to the exercise of the Conversion Rights in the event that immediately after the issuance of Conversion Shares pursuant to an exercise of the Conversion Rights, the Noteholder will become a Substantial Shareholder.

Further details of the Amendments are set out as follows:

	Existing Terms	Amendments
Conversion:	<p>In the event that following an exercise of the Conversion Rights, an issue of Shares is required which would exceed the limit on the allotment and issue of Shares in the General Mandate, the Company shall:</p> <p>(1) issue and deliver, in accordance with the Terms and Conditions, the number of Shares to which the relevant Noteholder would have been entitled upon exercise of the Conversion Rights up to the maximum possible that would not exceed the General Mandate; and</p>	<p>In the event that:</p> <p>(1) following an exercise of the Conversion Rights, an issue of Shares is required which would exceed the limit on the allotment and issue of Shares in the General Mandate; or</p> <p>(2) immediately after the issuance of the Conversion Shares pursuant to an exercise of the Conversion Rights, the Noteholder will become a Substantial Shareholder,</p>

Existing Terms

- (2) deliver a notice within five Business Days after the date of the notice of conversion to the Noteholder and satisfy the exercise of the Conversion Rights by making payment, or procuring that payment is made on its behalf to the Noteholders in immediately available funds, on the fifth Business Day following the date of the said notice of conversion, of the cash value alternative.

Amendments

the Company shall:

- (i) issue and deliver, in accordance with the Terms and Conditions, the number of Shares to which the relevant Noteholder would have been entitled upon exercise of the conversion right up to the maximum possible that would not (a) exceed the General Mandate; or (b) render the Noteholder a Substantial Shareholder, as applicable; and
- (ii) deliver a notice within five Business Days after the date of the notice of conversion to the Noteholder and satisfy the exercise of the Conversion Rights by making payment, or procuring that payment is made on its behalf to the Noteholders in immediately available funds, on the fifth Business Day following the date of the said notice of conversion, of the cash value alternative.

Save for the Amendments, all other principal terms of the Existing Convertible Notes as disclosed in the Convertible Notes Issuance Announcements remain unchanged.

The terms of the Amendments were determined after arm's length negotiation between the Company and the Existing Convertible Notes Holder for the purpose of ensuring the Company's compliance with the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules. The Directors (including the independent non-executive Directors) consider that the terms of the Amendments are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

Pursuant to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has applied for, and the Stock Exchange has granted, the approval for the Amendments under Rule 28.05 of the Listing Rules.

EXTENSION OF LONG STOP DATE IN RELATION TO THE FIRST SUBSCRIPTION AGREEMENT

As disclosed in the Share Issuance Announcement, the Company may, by a notice in writing to the relevant Subscriber, terminate the respective Subscription Agreement at any time before the date on which completion of the Subscription pursuant to the respective Subscription Agreement takes place in the event that any of the conditions precedent to completion thereunder have not been fulfilled at or before 12:00 noon on the Long Stop Date, being 31 March 2018 (or such other date as the Company and the relevant Subscriber may agree in writing pursuant to the terms of the respective Subscription Agreement).

As additional time is required for the Company and the First Subscriber to satisfy certain Conditions under the First Subscription Agreement entered into between the Company and the First Subscriber in relation to the subscription of 1,904,761,905 First Subscription Shares at the Subscription Price of HK\$0.42 per First Subscription Share, on 25 April 2018, the Company and the First Subscriber entered into the Supplemental Agreement, pursuant to which the Company and the First Subscriber have agreed to extend the Long Stop Date to 30 September 2018. Save as disclosed above, all other terms of the First Subscription Agreement remain in full force and effect.

TERMINATION OF THE SECOND SUBSCRIPTION AGREEMENT

In light of the recent market conditions, the fluctuation of the market price of the Shares and the time incurred and to be incurred in the Subscriptions, the Company and the Second Subscriber mutually agreed to terminate the Second Subscription Agreement entered into between the Company and the Second Subscriber in relation to the subscription of 476,190,477 Second Subscription Shares by the Second Subscriber.

On 25 April 2018, the Company and the Second Subscriber entered into the Deed of Termination after arm's length negotiations to terminate the Second Subscription Agreement with effect from 25 April 2018. Pursuant to the Deed of Termination, each of the parties under the Second Subscription Agreement irrevocably releases, discharges and waives the other party from, among other things, claims for liabilities which one party may have against the other for any matter arising out of the Second Subscription Agreement, and the performance of its/her present and future obligations under the Second Subscription Agreement. Notwithstanding the Termination, the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, remains in full force and effect.

The gross proceeds from the First Subscription are expected to be HK\$800,000,000. The net proceeds from the First Subscription, after deducting all related fees and expenses, are expected to be approximately HK\$765,000,000. The net price per First Subscription Share, after deducting all such related fees and expenses, is therefore expected to be approximately HK\$0.40.

The Directors consider that the Termination will not have any material adverse impact on the existing business operation and financial position of the Group.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out a summary of the shareholding structure of the Company (i) as at the date of this announcement, (ii) immediately after Completion (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the issuance of the First Subscription Shares) and (iii) immediately after Completion and upon full conversion of the Existing Convertible Notes at the initial conversion price of HK\$0.306085 per Share (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the issuance of the First Subscription Shares and subject to the Amendments, the full conversion of the Existing Convertible Notes):

Shareholders	As at the date of this announcement		Immediately after Completion (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the issuance of the First Subscription Shares)		Immediately after Completion and upon full conversion of the Existing Convertible Notes at the initial conversion price of HK\$0.306085 per Share (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the issuance of the First Subscription Shares and, subject to the Amendments, the full conversion of the Existing Convertible Notes) (Note 1)	
	Number of Shares	Approximate percentage (%)	Number of Shares	Approximate percentage (%)	Number of Shares	Approximate percentage (%)
CDH	2,889,580,226	59.69	2,889,580,226	42.84	2,889,580,226	40.01
First Subscriber	-	-	1,904,761,905	28.24	1,904,761,905	26.37
Existing Convertible Notes Holder (Note 2)	244,797,640	5.06	244,797,640	3.63	721,501,535	9.99
Other public Shareholders	1,706,393,924	35.25	1,706,393,924	25.30	1,706,393,924	23.63
TOTAL ISSUED SHARES (Note 3)	4,840,771,790	100	6,745,533,695	100	7,222,237,590	100

Notes:

1. In the event that the Existing Convertible Notes are converted subsequent to Completion, the initial conversion price of HK\$0.306085 per Share of the Existing Convertible Notes shall be adjusted as a result of the First Subscription pursuant to the Terms and Conditions.
2. Pursuant to the Convertible Note Purchase Agreement, the Existing Convertible Notes are convertible at the initial conversion price of HK\$0.306085 per Share (subject to adjustment) and will be convertible into approximately 886,191,744 Shares upon its full conversion. Pursuant to the partial conversion of the Existing Convertible Notes by the Existing Convertible Notes Holder in an aggregate principal amount of US\$10,000,000 at the conversion price of HK\$0.306085 per Share, the Company allotted and issued a total of 253,197,640 Shares to the Existing Convertible Notes Holder of which 8,400,000 Shares were subsequently disposed of by the Existing Convertible Notes Holder. As at the date of this announcement, 244,797,640 Shares are held by the Existing Convertible Notes Holder. Assuming that the remaining amount of the Existing Convertible Notes will be fully converted at the conversion price of HK\$0.306085 per Share, subject to the Amendments, an additional 476,703,895 Shares will be issued to the Existing Convertible Notes Holder.
3. The approximate percentage of the issued Shares is rounded to the nearest two decimal places and the total percentage of the total issued Shares may not add up to 100% due to rounding.

THE EGM

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder and the Specific Mandate.

As disclosed in the Acquisition Announcement, the Purchaser, a wholly-owned subsidiary of the Company, and the Vendor entered into the Equity Transfer Agreement, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to dispose of, 100% of the equity interests in the Target Company. The Acquisition constitutes a very substantial acquisition and a connected transaction of the Company which is subject to the reporting, announcement and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules. As CDH Company and its associates are considered to have a material interest in the Equity Transfer Agreement and the transactions contemplated thereunder, CDH Company and its associates and those who are interested in the Equity Transfer Agreement and the transactions contemplated thereunder will be required to abstain from voting on the resolution in relation to the Equity Transfer Agreement and the transactions contemplated thereunder.

As the Board intends to use part of the proceeds from the First Subscription for the Acquisition, CDH Company and its associates are also considered to have a material interest in the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder. As such, CDH Company and its associates and those who are interested in the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transaction contemplated thereunder will be required to abstain from voting on the resolution in relation to the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder. Save as aforementioned, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder and therefore, no other Shareholder is required to abstain from voting at the EGM for the relevant resolution.

Following the Termination, the circular to be despatched by the Company to the Shareholders will not contain further information on the Second Subscription Agreement. A circular containing, among other things, (i) further information on the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder and the Specific Mandate; and (ii) a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

DELAY IN DESPATCH OF CIRCULAR IN RELATION TO THE ACQUISITION

As disclosed in the Acquisition Announcement, the Acquisition Circular containing, among other things, (i) further information on the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Equity Transfer Agreement and the transactions contemplated thereunder; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its recommendation in respect of the Equity Transfer Agreement and the transactions contemplated thereunder; (iv) the financial and other information on the Group; (v) the financial and other information on the Target Group; (vi) the pro forma financial information of the Enlarged Group upon completion of the Acquisition; and (vii) the notice of the extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve, among other things, the Equity Transfer agreement and the transactions contemplated thereunder, is expected to be despatched to the Shareholders on or before 30 April 2018.

As additional time is required to prepare and finalise certain information to be included in the Acquisition Circular, it is expected that the dispatch date of the Acquisition Circular will be postponed to a date falling on or before 30 June 2018.

As (i) Completion of the First Subscription Agreement is subject to the satisfaction of the relevant Conditions and (ii) completion of the Equity Transfer Agreement is subject to the satisfaction of the conditions precedent thereunder, the First Subscription and/or the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	the acquisition of 100% of the equity interests in the Target Company by the Purchaser from the Vendor pursuant to the Equity Transfer Agreement
“Acquisition Announcement”	the announcement of the Company dated 2 March 2018 in relation to, among other things, the Acquisition
“Acquisition Circular”	the circular of the Company to be despatched to the Shareholders in relation to, among other things, the Acquisition
“Amendments”	the amendments to the Terms and Conditions in relation to the exercise of the Conversion Rights pursuant to the Deed of Waiver and Amendments
“Board”	the board of directors of the Company
“Business Day(s)”	a day on which commercial banks in Hong Kong are generally open for business other than Saturday and Sunday or a public holiday, or a day on which commercial banks do not open for business owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong
“CDH”	CDH Fast Two Limited, a company incorporated in the British Virgin Islands with limited liability and the controlling shareholder of the Company
“CDH Company”	China Diamond Holdings Company Limited, a company incorporated in the British Virgin Islands and the indirect controlling shareholder of the Company
“Company”	New Focus Auto Tech Holdings Limited (Stock Code: 360), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the First Subscription pursuant to the terms and conditions of the First Subscription Agreement
“Completion Date”	the date on which Completion takes place

“Conditions”	the conditions precedent to Completion under the Subscription Agreement(s)
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion Rights”	the rights attached to the Existing Convertible Notes to convert the principal amount and any accrued and outstanding interest under the Existing Convertible Notes or part thereof into Conversion Shares in accordance with the Terms and Conditions
“Conversion Shares”	Shares issuable upon conversion of the Existing Convertible Notes or otherwise pursuant to the Terms and Conditions
“Convertible Notes Issuance Announcements”	the announcements of the Company dated 21 August 2017 and 8 September 2017 in relation to, among other things, the issue of the Existing Convertible Notes
“Convertible Note Purchase Agreement”	the convertible note purchase agreement dated 21 August 2017 entered into between the Company and the Existing Convertible Notes Holder in relation to the issue of the Existing Convertible Notes
“Deed of Termination”	the deed of termination dated 25 April 2018 entered into between the Company and the Second Subscriber in relation to the termination of the Second Subscription Agreement
“Deed of Waiver and Amendments”	the deed of waiver and amendments dated 25 April 2018 entered into between the Company, the Existing Convertible Notes Holder and CDH in relation to, among other things, the Amendments
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder and the Specific Mandate
“Enlarged Group”	the Group and the Target Group
“Equity Transfer Agreement”	the equity transfer agreement dated 2 March 2018 entered into between the Purchaser and the Vendor in relation to the Acquisition

“Existing Convertible Notes”	the existing convertible notes with an aggregate principal amount of US\$35,000,000 due in 2019 issued by the Company to the Existing Convertible Notes Holder on 1 September 2017, which is convertible into Shares at the initial conversion price of HK\$0.306085 per Share, further details of which are set out in the Convertible Notes Issuance Announcements
“Existing Convertible Notes Holder”	High Inspiring Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of China Construction Bank Corporation
“First Subscriber”	Fame Mountain Limited, a company incorporated in the British Virgin Islands with limited liability
“First Subscription”	the subscription by the First Subscriber of the First Subscription Shares to be allotted and issued by the Company at the Subscription Price pursuant to the First Subscription Agreement
“First Subscription Agreement”	the subscription agreement dated 21 December 2017 entered into between the Company and the First Subscriber in relation to the First Subscription
“First Subscription Share(s)”	1,904,761,905 new Shares to be issued and allotted by the Company to the First Subscriber under the First Subscription
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 29 June 2017 to allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue on the date thereof, namely, up to a maximum of 915,321,257 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising Mr. Hu Yuming, Mr. Lin Lei and Mr. Zhang Xiaoya, being all the independent non-executive Directors, which is formed to advise the Independent Shareholders on the Equity Transfer Agreement and the transactions contemplated thereunder

“Independent Financial Adviser”	an independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Equity Transfer Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than (i) CDH Company and its associates and (ii) any other Shareholders who have a material interest in (a) the First Subscription Agreement, as amended and supplemented by the Supplemental Agreement, and the transactions contemplated thereunder and/or (b) the Equity Transfer Agreement and the transactions contemplated thereunder (as the case may be)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	31 March 2018 (or such other date as the Company and the relevant Subscriber may agree in writing pursuant to the terms of the respective Subscription Agreement)
“Noteholder(s)”	holder(s) of any amount of the Existing Convertible Notes from time to time
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser”	Ningbo Meishan Bonded Port Area Chifeng Investment Management Co., Ltd* (寧波梅山保稅港區馳豐投資管理有限公司), a company established under the laws of the PRC with limited liability and a wholly owned subsidiary of the Company
“Second Subscriber”	Ms. Wang Na (王娜), an individual who is a PRC resident
“Second Subscription”	the subscription by the Second Subscriber of the Second Subscription Shares to be allotted and issued by the Company at the Subscription Price pursuant to the Second Subscription Agreement
“Second Subscription Agreement”	the subscription agreement dated 21 December 2017 entered into between the Company and the Second Subscriber in relation to the Second Subscription

“Second Subscription Share(s)”	476,190,477 new Shares to be issued and allotted by the Company to the Second Subscriber under the Second Subscription
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Share Issuance Announcement”	the announcement of the Company dated 21 December 2017 in relation to, among other things, the proposed issuance of an aggregate of 2,380,952,382 Subscription Shares by the Company under the Specific Mandate
“Shareholder(s)”	holder(s) of the Shares from time to time
“Specific Mandate”	the specific mandate for the allotment and issuance of the Subscription Shares to be granted to the Board at the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber(s)”	the First Subscriber and/or the Second Subscriber (as the case may be)
“Subscription Agreement(s)”	the First Subscription Agreement and/or the Second Subscription Agreement (as the case may be)
“Subscription Price”	the subscription price of HK\$0.42 per Subscription Share
“Subscription Shares”	the First Subscription Shares and the Second Subscription Shares
“Subscription(s)”	the First Subscription and/or the Second Subscription (as the case may be)
“Substantial Shareholder”	a substantial shareholder (as defined under the Listing Rules) of the Company
“Supplemental Agreement”	the supplemental agreement to the First Subscription Agreement dated 25 April 2018 entered into between the Company and the First Subscriber in relation to the extension of the Long Stop Date to 30 September 2018
“Target Company”	Inner Mongolia Chuangying Automobile Co., Ltd.* (內蒙古創贏汽車有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Vendor

“Target Group”	the Target Company, the 35 operating companies and the operating subsidiary, further details of which are set out in the Acquisition Announcement
“Termination”	the termination of the Second Subscription Agreement with effect from 25 April 2018 pursuant to the Deed of Termination
“Terms and Conditions”	the terms and conditions on which the Existing Convertible Notes were issued by the Company, as attached to the Existing Convertible Note certificate (as amended from time to time)
“US\$”	United States dollar(s), the lawful currency of the United States of America
“Vendor”	Inner Mongolia Lifeng Dingsheng Automobile Co., Ltd.* (內蒙古利豐鼎盛汽車有限公司), a company established under the laws of the PRC with limited liability
“%”	per cent.

By order of the Board
New Focus Auto Tech Holdings Limited
Du Jinglei
Chairman

Hong Kong, 25 April 2018

As at the date hereof, the Directors of the Company are: executive Director – DU Jinglei; non-executive Directors – WANG Zhenyu; ZHANG Jianxing and LI Ngai; and independent non-executive Directors – HU Yuming, LIN Lei and ZHANG Xiaoya.

* *For identification purposes only*