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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)**

### **MAJOR TRANSACTION CONSTRUCTION OF SMART MANUFACTURING BASE IN QINGPU**

References are made to the announcements of the Company dated 13 May 2024, 25 November 2024 and 30 December 2025 in relation to, inter alia, the property expropriation and the acquisition of land use rights of the Land in Qingpu for relocation purpose.

#### **THE AGREEMENTS**

On 7 June 2026, New Focus Technology (Shanghai) (a 45%-owned subsidiary of the Company) entered into the Agreements with the Contractors, pursuant to which the Contractors shall carry out the construction work for the establishment of the Smart Manufacturing Base in Qingpu and the procurement of equipment and its installation therein at the Consideration of RMB579,999,339.

#### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios under the Listing Rules exceed 25%, the transactions contemplated under the Agreements constitute major transactions for the Company, and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the Agreements. As such, no Shareholders would be required to abstain from voting in favor of the resolution approving the transactions contemplated under the Agreements if the Company were to convene a general meeting for the approval of such resolution. The Company has obtained a written Shareholders' approval from Daodu (HK), the controlling Shareholder holding 10,449,312,134 Shares, representing approximately 60.69% of the total issued Shares as at the date of this announcement, in lieu of holding an extraordinary general meeting to approve the Agreements in accordance with Rule 14.44 of the Listing Rules.

A circular containing, among others, particulars of the Agreements and the transactions contemplated thereunder and other information as required under the Listing Rules, will be sent to the Shareholders in due course.

## THE CONSTRUCTION AGREEMENT

The principal terms of the Construction Agreement are as follows:

**Date:** 7 June 2026

**Parties:**

- (i) New Focus Technology (Shanghai) (a 45%-owned subsidiary of the Company); and
- (ii) the Contractors.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Contractors and their respective ultimate beneficial owners are Independent Third Parties.

Amongst the Contractors, Jiangsu Zhongzhi will act as the lead Contractor and the legal representative for the Contractors, which will be responsible for conducting contract negotiations, submitting and receiving all related materials and instructions, and coordinating and managing contract implementation.

Jiangsu Zhongzhi shall also be responsible for structural and architectural works; whilst CSC Third Engineering Bureau shall be responsible for electromechanical installation works.

The Contractors shall assume joint and several liability under the Construction Agreement.

**Scope of work:** The Contractors shall be responsible for the construction works of the Smart Manufacturing Base in accordance with the technical specifications prescribed by the relevant government authorities in Qingpu, the PRC, including, but not limited to, the foundation works and earthworks shown in the design drawings; structural works; architectural construction; installation of building mechanical and electrical equipment; interior and exterior fit-out and finishing works; doors and windows; external roads; stormwater and sanitary sewage appurtenances and landscape/greening works; electrical, plumbing and drainage, HVAC, and fire protection works; intelligent/automation systems; and other related works.

The Contractors shall bear all costs and expenses incurred during the construction period for all temporary facilities, temporary roads, temporary water supply, temporary electricity supply, temporary drainage and sewage disposal, fuel, communication networks, and other items required for the completion of the construction of the Smart Manufacturing Base, as well as the consumables and material costs for other construction machinery.

The Smart Manufacturing Base is located on the Land in Qingpu with a total gross floor area of approximately 74,377.67 square meters and will include, inter alia, Workshop 1, living/support facilities, Workshop 2, Smart Factory Building No. 1, Smart Factory Building No. 2, a gatehouse, fire control room, bicycle/motorbike shed, ancillary warehouses, a vehicle parking building, a switchgear and external site works.

**Construction Period:**

The construction period of the work contemplated under the Construction Agreement shall be 480 days commencing from 15 June 2026 to 9 October 2027.

For any delays of the construction work caused by the Contractors, liquidated damages shall accrue at a rate of 0.05% of the Construction Consideration per calendar day.

The aggregate liquidated damages shall not exceed 5% of the Construction Consideration.

**Consideration:**

The Construction Consideration payable by New Focus Technology (Shanghai) under the Construction Agreement is RMB320,822,539, comprising two parts: construction works (approximately RMB221 million) and installation (approximately RMB100 million), which was determined by New Focus Technology (Shanghai) with reference to various government guidance prices and factors including the expected scope and complexity of the construction to be performed, the expected cost of the project and the specifications of the facilities to be constructed.

The Group will settle the payment of the Construction Consideration by its internal resources, the expropriation compensation from the government and external borrowings.

**Payment Terms:**

An advance payment equivalent to 20% of the Construction Consideration shall be payable to the Contractors prior to site mobilization by the Contractors. Such advance payment shall be applied to offset 20% of each of the interim progress payments (as detailed below) until the full advance payment has been offset.

The Contractors shall submit monthly payment applications, which New Focus Technology (Shanghai) shall review and process on a monthly basis. Progress payments will be made at 85% of the assessed value of the construction work completed; and 90% of the assessed value of the construction work completed shall have been paid upon completion of all construction work. Following final acceptance of the construction work, 95% of the value of completed works shall have been paid. The remaining balance of the Construction Consideration shall be payable to the Contractors upon completion of the final account audit and approval, subject to the provision of a bank guarantee by the Contractors with an amount equivalent to 3% of the Construction Consideration as a quality assurance fee.

**Sub-contracting:**

The Contractors are prohibited from sub-contracting work on core structures and critical work. Any sub-contracting by the Contractors must be subject to New Focus Technology (Shanghai)'s prior consent, as well as the sub-Contractors' qualifications and competence.

**Warranty period:**

During the warranty period, the Contractors shall be responsible for providing routine maintenance works and handling and fixing any quality issues of the construction works under the Construction Agreement in a timely manner:

- (i) unless otherwise specified, the warranty period is 24 months from the date of the inspection and acceptance of the completed construction works by the Contractors pursuant to the Construction Agreement;
- (ii) the warranty period for waterproof and leak-proof works for lavatories, rooms and external walls is five years. The warranty period for decoration and renovation works, electric wires and pipelines, water pipes and installation of machineries is two years. The warranty period for the main structural construction is the reasonable useful life as stipulated under the relevant design document. The warranty period for heating and cooling systems is two heating periods and cooling periods, respectively; and
- (iii) during the warranty period, the Contractors shall carry out maintenance works within two days (or immediately if that is urgent maintenance work) after receiving notice of quality issues of the construction works under the Construction Agreement, failing which New Focus Technology (Shanghai) shall have the right to carry out maintenance works and deduct the relevant expenses from the Construction Consideration.

**Advance payment guarantee:** A bank guarantee in the amount equal to the amount of the advance payment as mentioned above shall be provided by the Contractors for a period of eight months or until the advance payment is fully offset, whichever is later, during which the Contractors shall ensure that the bank guarantee remains continuously valid.

## **THE PROCUREMENT AGREEMENT**

The principal terms of the Procurement Agreement are as follows:

**Date:** 7 June 2026

**Parties:** (i) New Focus Technology (Shanghai) (a 45%-owned subsidiary of the Company); and  
(ii) the Contractors.

Amongst the Contractors, Jiangsu Zhongzhi shall be responsible for procuring the required equipment and providing relevant installation services as stipulated under the Procurement Agreement.

CSC Third Engineering Bureau will not provide any procurement or installation services to New Focus Technology (Shanghai) nor will it receive any fees pursuant to the Procurement Agreement.

**Equipment:** Production equipment for use in automotive power electronics production workshops, as well as production lines and testing systems for 'Little Three Electric' (small three-in-one) powertrain systems of new energy vehicles.

**Procurement Consideration:** The Procurement Consideration payable by New Focus Technology (Shanghai) to Jiangsu Zhongzhi under the Procurement Agreement is RMB259,176,800.

The Group will settle the payment of the Procurement Consideration by its internal resources, the expropriation compensation from the government and external borrowings.

**Delivery Terms:** The equipment shall be delivered at the time as stipulated in the specific purchase order.

**Payment Terms:**

An advance payment equivalent to 5% of the Procurement Consideration shall be payable to Jiangsu Zhongzhi within 14 business days upon signing of the Procurement Agreement. Such advance payment shall be applied to offset the payments payable to Jiangsu Zhongzhi for the equipment procured.

New Focus Technology (Shanghai) shall settle the payments to Jiangsu Zhongzhi in separate batches. The amount payable for each batch shall be calculated as follows: the agreed price as stipulated in the purchase order for such batch, deducting (i) the advance payment (if any remaining balance), and (ii) the quality assurance fee (equivalent to 10% of the purchase price for such batch).

Subject to the delivery of the equipment, the acceptance thereof, and the receipt of a valid invoice, New Focus Technology (Shanghai) shall settle the payment for the procurement of the corresponding batch of equipment to Jiangsu Zhongzhi within 14 business days.

Quality assurance fee (which is equivalent to 10% of the amount of each batch of purchase order) shall be settled within 14 business days from the end of the warranty period.

**Warranty Period:**

The warranty period shall be 3 years from the date of acceptance of the equipment or the warranty period offered by the original manufacturer, whichever is later.

**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 Centre.

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

New Focus Technology (Shanghai) is a company established in the PRC with limited liability, owned as to 44% by New Focus Holdings (Beijing) Co., Ltd.\* (新焦點控股(北京)有限公司), 1% by New Focus Lighting & Power (Shanghai), 45% by Tianjin Yun Qi Tian Technology Co., Ltd.\* (天津雲啟天科技有限公司), and 10% by Mr. Tong Fei, the Chairman and executive Director of the Company, respectively. New Focus Technology (Shanghai) is established 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.

## **The Contractors**

Jiangsu Zhongzhi is a limited liability company incorporated in the PRC principally engaged in the construction business, including but not limited to construction and subcontracting of construction work; construction related technical services and development (consulting, transfer and promotion); and sales of building materials. Jiangsu Zhongzhi possesses 建築業企業資質證書 (construction enterprise qualification certificate\*) and 建築施工企業安全生產許可證 (safety production permit for construction enterprises\*) and is ultimately owned as to 81% by Mr. Gu Hongjun, 10% by Ms. Wang Xuemei and 9% by Ms. Shi Jingqin.

CSC Third Engineering Bureau is a limited liability company incorporated in the PRC principally engaged in the construction business, including but not limited to general contracting, construction and consulting; building-technology development and transfer; equipment leasing and sales; road, bridge and municipal engineering; civil air-defense and industrial (chemical/petrochemical/pharmaceutical) design; wastewater-treatment and environmental equipment sales. CSC Third Engineering Bureau possesses 建築業企業資質證書 (construction enterprise qualification certificate\*) and 建築施工企業安全生產許可證 (safety production permit for construction enterprises\*).

CSC Third Engineering Bureau is owned (i) as to approximately 64.33% by China Construction Third Engineering Bureau Group Co., Ltd., which is controlled by China State Construction Engineering Corporation Limited, a joint stock limited liability company incorporated under the laws of the PRC, the A shares of which are listed on the Shanghai Stock Exchange (#601668), whose immediate and ultimate holding company is China State Construction Engineering Corporation, a state-owned enterprise established under the laws of the PRC; and (ii) as to approximately 35.67% by CCB Financial Asset Investment Co., Ltd.\* (建信金融資產投資有限公司) which is controlled by China Construction Bank Corporation, a joint stock limited liability company incorporated under the laws of the PRC, the H shares (#0939) and A shares (#601939) of which are listed on the Stock Exchange and the Shanghai Stock Exchange, whose immediate and ultimate holding company is Central Huijin Investment Ltd., a Chinese sovereign fund company under the state-owned China Investment Corporation.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS**

As disclosed in the announcement of the Company dated 24 November 2025, the Group received a notice of expropriation from the Expropriation and Compensation Office of Shanghai Qingpu Industrial Park\* (上海市青浦工業園區徵收補償工作辦公室) and entered into a land expropriation (non-residential) compensation agreement with Shanghai Qingpu Industrial Park Development (Group) Ltd.\* (上海青浦工業園區發展(集團)有限公司). As the expropriated property serves as the core operational and production site of New Focus Lighting & Power (Shanghai), the expropriation will affect the continuity and stability of production and operation of New Focus Lighting & Power (Shanghai).

In December 2025, New Focus Technology (Shanghai) won the bid for the land use rights of the Land, and has obtained the construction land planning permit for the Land. The Group needs to establish the Smart Manufacturing Base to deploy relevant production and operational facilities to ensure the normal production and operation of New Focus Lighting & Power (Shanghai). The Board considers that the Agreements are a necessary business arrangement undertaken by the Group to ensure business continuity and development.

The Contractors were selected by the Group for the construction work through tender. The Agreements were awarded to the Contractors after thorough evaluation of factors including but not limited to the experience and capability of the contractors who had submitted tenders, the expected scope of work and the expected cost of the construction project. New Focus Technology (Shanghai) considers that the Contractors are able to provide up to standard construction services for implementing the Agreements.

In view of the above, the Board considers that the terms of the Agreements and the transaction contemplated thereunder are on normal commercial terms and are fair and reasonable, and the entering into the Agreements is in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS OF THE LISTING RULES**

As the applicable percentage ratios under the Listing Rules exceed 25%, the transactions contemplated under the Agreements constitute major transactions for the Company, and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the Agreements. As such, no Shareholders would be required to abstain from voting in favor of the resolution approving the transactions contemplated under the Agreements if the Company were to convene a general meeting for the approval of such resolution. The Company has obtained a written Shareholders' approval from Daodu (HK), the controlling Shareholder holding 10,449,312,134 Shares, representing

approximately 60.69% of the total issued Shares as at the date of this announcement, in lieu of holding an extraordinary general meeting to approve the Agreements in accordance with Rule 14.44 of the Listing Rules.

A circular containing, among others, particulars of the Agreements and the transactions contemplated thereunder and other information as required under the Listing Rules, will be sent to the Shareholders in due course.

## **DEFINITIONS**

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

“Agreements”	the Construction Agreement and the Procurement Agreement
“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
“Consideration”	the aggregate contract sum of RMB579,999,339 payable to the Contractors by New Focus Technology (Shanghai), in relation to the construction works, procurement of equipment and installation contemplated under the Agreements
“Construction Agreement”	the construction agreement entered into between New Focus Technology (Shanghai) and the Contractors on 7 June 2026 in respect of the construction of the Smart Manufacturing Base
“Construction Consideration”	the aggregate contract sum of RMB320,822,539 payable to the Contractors by New Focus Technology (Shanghai) under the Construction Agreement
“Contractors”	a contractor consortium jointly formed by Jiangsu Zhongzhi and CSC Third Engineering Bureau
“CSC Third Engineering Bureau”	China State Construction Third Engineering Bureau Co., Ltd.* (中建三局第三建设工程有限责任公司), a limited liability company incorporated in the PRC, being one of the Contractors
“Daodu (HK)”	Daodu (Hong Kong) Holding Limited, a company incorporated in Hong Kong with limited liability, being the controlling Shareholder
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“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
“Jiangsu Zhongzhi”	Jiangsu Zhongzhi Construction Technology Co., Ltd.* (江蘇中致建設科技有限公司), a limited liability company incorporated in the PRC, being one of the Contractors
“Land”	a plot (Plot No.: QPC1-0011 Unit H-27-13) located in Xianghuaqiao Street, Qingpu District, Shanghai, the PRC. The plot is bounded by plots H-27-07b and H-27-08 to the east, Luxingjing (陸行涇) to the south, Zhaotun Port (趙屯港) to the west, and Tianying Road (天盈路) to the north
“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
“New Focus Technology (Shanghai)”	紐福克斯科技(上海)有限公司(New Focus Technology (Shanghai) Co., Ltd.*), a company incorporated in the PRC with limited liability, a 45%-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“Procurement Agreement”	the procurement agreement entered into between New Focus Technology (Shanghai) and the Contractors on 7 June 2026 in respect of the procurement and installation of production equipments
“Procurement Consideration”	the aggregate contract sum of RMB259,176,800 payable to Jiangsu Zhongzhi by New Focus Technology (Shanghai) under the Procurement Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company

“Shareholder(s)”	the shareholder(s) of the Company
“Smart Manufacturing Base”	a smart manufacturing base located in the Yangtze River Delta Integrated Demonstration Zone (Qingpu) for the manufacturing of automotive electronic products, electric equipment and components, automobile accessories, new energy and energy storage products of the Group
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 7 June 2026

*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*