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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)

**DETERMINATION AND SETTLEMENT OF
SECOND INSTALMENT OF CONSIDERATION
FOR ACQUISITION OF IPO AUTOMOTIVE**

Reference is made to the announcement of the Company dated 15 November 2012 (the “**Announcement**”) in relation to the acquisition of 100% equity interest in IPO Automotive and the announcement of the Company dated 26 July 2013 in relation to the determination and settlement of first instalment of consideration for the acquisition of IPO Automotive. Unless otherwise defined herein, the capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The second instalment of NTD105,000,000 shall be payable if the 2013 Profit Target, being the target net profit of NTD60,000,000 to be achieved by IPO Automotive for the year ended 31 December 2013 under the Share Purchase Agreement, is fulfilled. If the 2013 Profit Target is not fulfilled, the amount of the second instalment shall be adjusted by the formula as specified in the Share Purchase Agreement. The actual net profit of IPO Automotive for the year ended 31 December 2013 was NTD2,330,000, and the amount of the second instalment shall therefore be adjusted by the formula as specified in the Share Purchase Agreement. In accordance with such formula, the amount of the adjusted second instalment was determined to be zero. Therefore, no further payment is payable by the Purchaser to the Vendors.

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

Hong Kong, 17 April 2014

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

* *For identification purposes only*