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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 Cayman Islands with limited liability)

(Stock Code: 360)

**COMPLETION OF SUBSCRIPTION AGREEMENT IN RESPECT OF
ISSUE OF CONVERTIBLE BOND
AND
APPOINTMENT OF DIRECTORS**

The Board is pleased to announce that (i) completion of the Subscription Agreement in respect of the issue of the Convertible Bond took place on 16 May 2007 and (ii) Mr. Li Jung Hsing and Ms. Irene Shih have been appointed as non-executive directors of the Company with effect from 16 May 2007.

COMPLETION OF THE SUBSCRIPTION AGREEMENT IN RESPECT OF ISSUE OF CONVERTIBLE BOND

Reference is made to the announcement of New Focus Auto Tech Holdings Limited (the “**Company**”) dated 30 April 2007 (the “**Announcement**”) regarding the proposed issue of a convertible bond in the principal amount of US\$12.0 million with coupon rate of 5.2% due in 2010 (the “**Convertible Bond**”).

The Company is pleased to announce that completion of the Subscription Agreement (as defined in the Announcement) took place on 16 May 2007.

APPOINTMENT OF MR. LI JUNG HSING AND MS. IRENE SHIH AS DIRECTORS

The board of directors (the “**Board**”) of the Company is pleased to announce that Mr. Li Jung Hsing (“**Mr. Li**”) and Ms. Irene Shih (“**Ms. Shih**”) have been appointed as non-executive directors of the Company with effect from 16 May 2007.

Experience

Mr. Li, aged 53, is a graduate of National Taiwan Ocean University. He has held previous positions as Special Assistant to Chairman of Trust-Mart China, Vice-President of A-Best Hypermarket China, Commercial Director of Makro Taiwan and Managing Director of MINIT Group South East Asia (covering Hong Kong, Singapore, Taiwan and Thailand).

Ms. Shih, aged 40, is a graduate of Columbia University in the United States (“**US**”) with a master’s degree in Economics. From 1997 to 2005, she worked at China Development Industrial Bank and focused on communications and semiconductor investments. She has 11 years of venture capital experience in over 20 investment cases in the US and China.

Relationships

Mr. Li is a director nominated by ARCH Auto Limited (“**ARCH**”), the subscriber of the Convertible Bond, pursuant to the Subscription Agreement which provides ARCH the right to nominate one (1) non-executive member to be appointed to the Board, whose presence is required to form a quorum of any Board meeting, so long as ARCH or its affiliate holds the Convertible Bond. Save for the nomination by ARCH and the appointment as non-executive director of the Company, Mr. Li does not have any relationship with any director, senior management, substantial shareholder (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) or controlling shareholder (as defined in the Listing Rules) of the Company. Mr. Li has not held any directorships in any listed companies in the last three years.

Mr. Shih is an employee of, and a director of the Company nominated by, Sun Shining Investment Corporation (a subsidiary of Yulon Group in Taiwan), which holds over 2% of the shares of the Company. Save as disclosed herein, Ms. Shih has no relationship with any director, senior management, substantial shareholder (as defined in the Listing Rules) or controlling shareholder (as defined in the Listing Rules) of the Company. Ms. Shih has not held any directorships in any listed companies in the last three years.

Length of service

Mr. Li and Ms. Shih have been respectively appointed by the Company for a term of three years subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company (the “**Articles of Association**”).

Interests in shares

So far as the directors of the Company are aware as at the date hereof, neither Mr. Li or Ms. Shih has any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the shares of the Company.

Director’s emoluments

Pursuant and subject to the provisions of the Articles of Association, Mr. Li and Ms. Shih will respectively receive a director’s fee as the Company may determine from time to time. The emoluments of directors of the Company will be determined by reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the shareholders

Save as disclosed herein, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Li or Ms. Shih that need to be brought to the attention of the shareholders of the Company.

RESUMPTION OF TRADING

Trading in the shares of the Company has been suspended with effect from 9:30 a.m. on 30 April 2007 at the request of the Company pending the release of an announcement relating to the preliminary results of the Company in respect of the financial year ended 31 December 2006 (the “**Results Announcement**”). As the Results Announcement has been made on 16 May 2007, the Company has applied to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:30 a.m. on 17 May 2007.

By Order of the Board of
New Focus Auto Tech Holdings Limited
HUNG Wei-Pi, John
Chairman

Hong Kong, 16 May 2007

* for identification purpose only

As at the date of this announcement, the Board of the Company comprises the following directors: executive directors – Hung Wei-Pi, John, Wu Kwan-Hong, Hung Ying-Lien, Lu Yuan Cheng, Douglas Charles Stuart Fresco and Norman L. Mathew; non-executive directors – Li Jung Hsing, Low Hsiao-Ping and Irene Shih; and independent non-executive directors – Du Haibo, Zhou Tai-Ming and Uang Chii-Maw.