The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

NEW FOCUS AUTO TECH HOLDINGS LIMITED NFA

新 焦 點 汽 車 技 術 控 股 有 限 公 司 * (Incorporated in the Cayman Islands with limited liability)

(Stock Code: 360)

CONNECTED TRANSACTIONS

On 1 June 2006, the Purchaser entered into the Assets Purchase Agreement I with Anbo for the acquisition of Assets I at a consideration of RMB2,060,000 (equivalent to approximately HK\$2,039,604) and Assets Purchase Agreement II with Longkou Longsheng for the acquisition of Assets II at a consideration of RMB7,550,000 (equivalent to approximately HK\$7,475,248). The aggregate consideration payable by the Purchaser under the Assets Purchase Agreements was RMB9,610,000 (equivalent to approximately HK\$7,475,248).

As both Assets I and Assets II were previously owned by Mr. Liu, a connected person of the Company by virtue of his controlling interest in Anbo, a substantial shareholder, and a director of the Purchaser, and the transactions in relation to the transfers of Assets I and Assets II from Mr. Liu to each of Anbo and Longkou Longsheng took place within twelve months from the date of the Assets Purchase Agreements, pursuant to Rule 14A.25 of the Listing Rules, such transfers from Mr. Liu to Anbo and Longkou Longsheng and subsequently the acquisition of Assets I and Assets II by the Purchaser constitute a series of connected transactions, the consideration of which are liable to be aggregated under Rule 14A.25 of the Listing Rules.

Since two of the relevant percentage ratios, other than profits ratio (as defined in the Listing Rules) in respect of the acquisitions under the Assets Purchase Agreements are more than 2.5% but less than 25% and the total consideration of RMB9,610,000 (equivalent to approximately HK\$9,514,851) under the Assets Purchase Agreements is less HK\$10,000,000, the acquisitions under the Assets Purchase Agreements constitute connected transactions exempt from the independent Shareholders' approval requirements under Rule 14A.32 of the Listing Rules and are only subject to the reporting and announcement requirements.

BACKGROUND

Mr. Liu and each of Anbo and Longkou Longsheng entered into two assets purchase agreements in relation to Assets I together with a 20 cm thick road surface material for a gross area of 7,231.43 m² (the "**Surface Material**") and Assets II on 8 March 2006 and 16 January 2006 respectively (the "**Original Assets Purchase Agreements**"). Pursuant to the Original Assets Purchase Agreements, Mr. Liu transferred Assets I and the Surface Material to Anbo at a consideration of RMB2,616,820.11 (equivalent to approximately HK\$2,590,911) and Assets II to Longkou Longsheng at a consideration of RMB7,550,000 (equivalent to approximately HK\$7,475,248). The consideration under the Original Assets Purchase Agreements was determined after arm's length negotiations between Mr. Liu and each of Anbo and Longkou Longsheng with reference to the valuation of Assets I and the Surface Material as at 31 January 2006 of RMB2,619,502.11 (equivalent to approximately HK\$2,593,566), where the valuation of each of Assets I and the Surface Material was RMB2,062,682 (equivalent to approximately HK\$2,042,259) and RMB556,820.11 (equivalent to approximately HK\$551,307) respectively, and the valuation of Assets II as at 30 November 2005 of RMB7,613,550 (equivalent to approximately HK\$7,538,168). Such valuations were carried out by $\underline{M} \in h \times \bar{\kappa} \neq f \mathbb{R} = f \oplus h \oplus \# \bar{\kappa} f f$ (Yantai Yontai Certified Public Accountants) an independent valuer in the PRC Public Accountants), an independent valuer in the PRC.

Mr. Liu acquired certain portion of Assets I, which were mainly buildings, in December 2002 from 龍口市電纜廠 (Longkou City Cable Factory*) and the remaining portion of Assets I, being buildings and machineries and the Surface Material were erected by Mr. Liu or purchased being buildings and machineries and the Surface Material were erected by Mr. Liu or purchased from suppliers or through acquisitions of fixed assets from other companies during the period from December 2002 to November 2005. Mr. Liu acquired Assets II which comprise three land use rights in relation to three parcels of lands all located at Xiao Jiang Jia Village, Zhu You Guan Town, Longkou City, Shandong Province (山東省龍口市諸由觀鎮小姜家村) with an aggregate gross area of 48,087 m² from the land bureau of Longkou City and a building ownership in respect of a wiring plant for a gross floor area of 2,880 m² from 龍口市電纜廠 (Longkou City Cable Factory^{*}). The land use rights covered three parcels of lands on which the 37 buildings and structures under Assets L ware accested. Mr. Liu bad acquired the building ownership and the and structures under Assets I were erected. Mr. Liu had acquired the building ownership and the land use rights in December 2002 and July 2004 respectively.

On 1 June 2006, the Purchaser entered into the Assets Purchase Agreement I with Anbo for the acquisition of Assets I at a consideration of RMB2,060,000 (equivalent to approximately HK\$2,039,604) and Assets Purchase Agreement II with Longkou Longsheng for the acquisition of Assets II at a consideration of RMB7,550,000 (equivalent to approximately HK\$7,475,248). The aggregate consideration payable by the Purchaser under the Assets Purchase Agreements was RMB9,610,000 (equivalent to approximately HK\$9,514,851). As both Assets I and Assets II were previously owned by Mr. Liu and the transactions in relation to the transfers of Assets I and Assets II from Mr. Liu to each of Anbo and Longkou Longsheng took place within twelve months from the date of the Assets Purchase Agreements, pursuant to Rule 14A.25 of the Listing Rules, such transfers from Mr. Liu to Anbo and Longkou Longsheng and subsequently the acquisition of Assets I and Assets II by the Purchaser constitute a series of connected transactions. As a result, despite that Longkou Longsheng is not a connected person of the Company, the transactions under the Assets Purchase Agreements are series of connected transactions and should be aggregated.

When the Company was preparing for its interim report in late September 2006, the Company became aware that the transaction under Assets Purchase Agreement I entered into between the Purchaser and Anbo in June 2006 had not been disclosed in accordance with the requirements of the Listing Rules due to inadvertence. The delay in publication was also due to the intervening National Day holiday in the PRC in early October and the subsequent preparation of an announcement in relation to certain continuing connected transactions under the purchase agreement entered into between a wholly owned subsidiary of the Company and the Purchaser in October 2006.

Since the Company was aware of the disclosure obligation in respect of the transactions under the Assets Purchase Agreements, the Company took step to prepare and gather information for the publication of the announcement. The Company considered the background and nature of the Assets Purchase Agreement I and Assets Purchase Agreement II and the requirement of the aggregation of transactions under Rule 14A.25 and took the view that the transactions under Assets Purchase Agreement I and Assets Purchase Agreement II should be aggregated for the purposes of Chapter 14A of the Listing Rules and thus decided that the Assets Purchase Agreements would be disclosed in the same announcement.

The Directors noted that the delay in disclosures of the transactions under the Assets Purchase Agreements by way of an announcement may constitute a breach of Chapter 14A of the Listing Rules.

REASONS FOR THE SERIES OF TRANSACTIONS

In January 2006, both Mr. Liu and Perfect Progress would like to use Longkou Longsheng as a vehicle to establish a production base in the northern part of the PRC. Under the original investment plan, the registered capital of Longkou Longsheng would be increased and each of Perfect Progress and Mr. Liu would acquire certain equity interest in Longkou Longsheng as a result of the increase of its registered capital. Mr. Liu would inject assets into Longkou Longsheng partly as capital contribution and partly by way of sale. Under such circumstances, Assets II were disposed to Longkou Longsheng by way of sale. Such transfer was made prior to Mr. Liu's subscription of the increased registered capital of Longkou Longsheng as Assets II comprised land use rights and property which would take a considerable time to complete the transfer procedures.

Subsequently, both Mr. Liu and Perfect Progress decided to form a new equity joint venture instead of using Longkou Longsheng as a vehicle to establish the production base in order to avoid any contingent liabilities that Longkou Longsheng may have and, more importantly, to enjoy the benefit from the tax concession that could be enjoyed by newly incorporated sino-foreign equity joint venture. As there were restrictions as to the formation of a sino-foreign equity joint venture by a PRC individual, Mr. Liu and his family members established Anbo, a company with limited liability in March 2006 for the purpose of establishing the sino-foreign joint venture with Perfect Progress. When Anbo was established, Mr. Liu disposed Assets I and the Surface Material to Anbo at a consideration of RMB2,616,820.11 (equivalent to approximately HK\$2,590,911) with reference to a valuation of an independent valuer in the PRC. Such assets were originally intended to be injected into the Purchaser as part of the capital contribution.

When the Purchaser was established as a sino-foreign joint venture, both Mr. Liu and Perfect Progress made their respective capital contributions by cash. In order to facilitate the operational needs of the Purchaser, the Purchaser decided to acquire from Anbo Assets I and after arm's length negotiation with Longkou Longsheng, it was agreed that the Purchaser would acquire Assets II from Longkou Longsheng at the cost at which Longkou Longsheng acquired such assets from Mr. Liu in January 2006. As a result the Assets Purchase Agreements were entered into between the parties.

THE ASSETS PURCHASE AGREEMENTS

Details and the terms of the Assets Purchase Agreements are set out as below:

A. Assets Purchase Agreement I Date

1 June 2006

- Parties to the Assets Purchase Agreement I Vendor : 龍口市安博貿易有限公司 (Longkou City Anbo Trading Co., Ltd.*)
 - Anbo is owned as to 100% by Mr. Liu and his family members and a connected person of the Company by virtue of its being a substantial shareholder of the Purchaser, a non-wholly owned subsidiary of the Company.
- The Purchaser,山東新焦點龍盛汽車配件有限公司(Shandong New Focus Purchaser: Longsheng Auto Parts Co., Ltd.*), a non-wholly owned subsidiary of Perfect Progress which is a wholly owned subsidiary of the Company.

TERMS OF THE ASSETS PURCHASE AGREEMENT I

Pursuant to the Assets Purchase Agreement I, the Purchaser would purchase from Anbo Assets I for a consideration of RMB2,060,000 (equivalent to approximately HK\$2,039,604). Upon the completion of the registration procedure with the relevant authorities in the PRC in relation to the transfer of Assets I, the rights, obligations and interests in relation to Assets I will be passed to the Purchaser.

The consideration of RMB2,060,000 (equivalent to approximately HK\$2,039,604) was determined after arm's length negotiations between Anbo and the Purchaser with reference to a valuation of Assets I and the Surface Material as at 31 January 2006 of RMB2,619,502.11 (equivalent to approximately HK\$2,593,566) carried out by烟台永泰有限責任會計師事務所 (Yantai Yontai Certified Public Accountants), an independent valuer in the PRC. Under the original assets purchase agreement entered into between Anbo and Mr. Liu, the consideration for Assets I and a 20 cm thick road surface material for a gross area of 7,231.43 m² (the "Surface Material") was RMB2,616,820.11 (equivalent to approximately HK\$2,590,911). The consideration under the Assets Purchase Agreement I of RMB2,060,000 (equivalent to approximately HK\$2,590,911) represented the consideration in respect of Assets I only and without taking into account the Surface Material which the Purchaser did not purchase pursuant to the Assets Purchase Agreement I because the Purchaser and Anbo had not agreed on the consideration for the Surface Material. The consideration of Assets I would be paid by the Purchaser in full by cash within 180 days from the date of the Assets Purchase Agreement I from the Group's internally generated cash flow. The consideration under the Assets Purchase Agreement I had not yet been paid due to the fact that the Purchaser is a newly established company and does not have a strong cash flow situation. As Anbo is a shareholder of the Purchaser, it was of the view that the consideration under Assets Purchase Agreement I could be settled in a later date when the Purchaser has a stronger cash flow situation. To this, the Purchaser and Anbo entered into a supplemental agreement to Assets Purchase Agreement I on 28 November 2006, pursuant to which Anbo had agreed that the payment of the consideration for Assets I shall be postponed and be payable on or before 30 November 2007. The registration for the transfer of Assets I with the relevant authorities in the PRC had been completed on 30 June 2006.

INFORMATION ON ASSETS I

Assets I comprises 40 items of equipment and machinery, a vehicle and 37 buildings and structures with a total floor area of 10,626.84 m^2 , which include several dormitories, plants and their ancillary structures, warehouses and canteens and a 10 cm thick road surface material for a gross area of 3,315.29 m².

The original purchase costs in respect of Assets I by each of Mr. Liu and Anbo were approximately RMB2,300,000 (equivalent to approximately HK\$2,277,228) and RMB2,060,000 (equivalent to approximately HK\$2,039,604) respectively. According to the management accounts of Ahbo as at 31 May 2006, the book value of Assets I amounted to RMB2,060,000 (equivalent to approximately HK\$2,039,604). According to the management account of Longkou Longsheng, the revenue and net profit attributable to the Assets I for the year ended 31 December 2005 were approximately RMB3,148,800 (equivalent to approximately HK\$3,117,624) and approximately RMB36,900 (equivalent to approximately HK\$36,535) respectively. According to the management account of Longkou Longsheng, the revenue and net profit attributable to the Assets I for the year ended 31 December 2004 were approximately RMB2,520,400 (equivalent to approximately HK\$2,495,446) and approximately RMB28,000 (equivalent to approximately HK\$27,723) respectively. Before the acquisition of Assets I by the Purchaser, Assets I was being used by Longkou Longsheng for production purposes.

B. Assets Purchase Agreement II

Date 1 June 2006

Parties to the Assets Purchase Agreement II

Vendor : 龍口龍盛電線電纜有限公司 (Longkou Longsheng Wire and Cable Co., Ltd.*) Longkou Longsheng is a company incorporated in the PRC with limited liability and is owned as to 66.7% by 龍口市電纜廠 (Longkou City Cable Factory*) and as to 33.3% by American Trade & Development Co (美國貿易與發展有限公司) with Mr. Wang Yi as its controlling shareholder. To the best of the knowledge and belief of the Directors and having made all reasonable enquiries, Longkou Longsheng and each of its ultimate beneficial owners is an independent third party and is not a connected person of any Directors, chief executive or substantial shareholders of the Company and its subsidiaries, or any of their respective associates. Purchaser: The Purchaser, 山東新焦點龍盛汽車配件有限公司 (Shandong New Focus

Longsheng Auto Parts Co., Ltd.*), a non-wholly owned subsidiary of Perfect Progress which is a wholly owned subsidiary of the Company.

TERMS OF THE ASSETS PURCHASE AGREEMENT II

Pursuant to the Assets Purchase Agreement II, the Purchaser would purchase from Longkou Longsheng the Assets II for a consideration of RMB7,550,000 (equivalent to approximately HK\$7,475,248). Upon the completion of the registration procedure with the relevant authorities in the PRC in relation to the transfer of Assets II, the rights, obligations and interests in relation to Assets II will be passed to the Purchaser.

The consideration of RMB7,550,000 (equivalent to approximately HK\$7,475,248) was determined after arm's length negotiations between Longkou Longsheng and the Purchaser with reference to original purchase costs of Assets II paid by Longkou Longsheng to Mr. Liu pursuant to an assets purchase agreement entered into between them in January 2006, the consideration of which was made by reference to a valuation of Assets II as at 30 November 2005 of RMB7,613,550 (equivalent to approximately HK\$7,538,168) carried out by $\mathfrak{A} \leftrightarrow \mathfrak{F} \neq \mathfrak{F} \oplus \mathfrak{F} \oplus \mathfrak{F} \oplus \mathfrak{F} \oplus \mathfrak{F}$ (Yantai Yontai Certified Public Accountants), an independent valuer in the PRC. The consideration would be paid by the Purchaser in full by cash within 180 days from the date of the Assets Purchase Agreement II. The consideration had been paid in full by cash by the Purchaser on 26 June 2006 from the Group's internally generated cash flow and the registration for the transfer of Assets II with the relevant authorities in the PRC was completed on 4 July 2006.

INFORMATION ON ASSETS II

Assets II comprise three land use rights in relation to three parcels of lands located at Xiao Jiang Jia Village, Zhu You Guan Town, Longkou City, Shandong Province (山東省龍口市諸由觀鎮 小姜家村) with an aggregate gross area of 48,087 m² and a building ownership in respect of a wiring plant for a gross floor area of 2,880 m². The land use rights covered three parcels of lands on which the 37 buildings and structures under Assets I were erected. Mr. Liu had acquired the building ownership and the land use right in December 2002 and July 2004 respectively. The Purchaser obtained the land use right certificate and the building ownership certificate of Assets II whereupon Assets II were validly transferred to the Purchaser.

The original purchase costs in respect of Assets II by Mr. Liu was approximately RMB4,500,000 (equivalent to approximately HK\$4,455,446). According to the management accounts of Longkou Longsheng, the book value of Assets II as at 31 May 2006 amounted to RMB7,550,000 (equivalent to approximately HK\$7,475,248). According to the management account of Longkou Longsheng, the revenue and net profit attributable to the Assets II for the year ended 31 December 2005 were approximately RMB11,540,700 (equivalent to approximately HK\$11,426,436) and approximately RMB135,200 (equivalent to approximately HK\$133,861) respectively. According to the management account of Longkou Longsheng, the revenue and net profit attributable to the Assets II for the year ended 31 December 2004 were approximately RMB9,237,200 (equivalent to approximately HK\$9,145,743) and approximately RMB102,500 (equivalent to approximately HK\$101,485) respectively. Before the acquisition of Assets II, it was being used by Longkou Longsheng for production purposes.

INFORMATION ON THE GROUP AND THE PURCHASER

The Group is principally engaged in the manufacturing and sales of electronic and power-related automotive parts and accessories which are distributed primarily in North America and the Greater China Regions. The Group is also engaged in the distribution of merchandise through its operation of automotive aftermarket service chain store network in the PRC. The Purchaser is principally engaged in the business of the manufacture and sales of automotive parts and related electronic products.

INFORMATION ON ANBO

Anbo is a limited liability company established in the PRC and is owned as to 100% by Mr. Liu and his family members. Anbo is engaged in the sales of wiring, electrical and automotive and other plastic and metal products. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, except for being a substantial shareholder of the Purchaser and except the fact that Mr. Liu, the controlling shareholder of Anbo is also a director of the Purchaser, Anbo is not a connected person of any Directors, chief executive or substantial shareholders of the Company and its subsidiaries, or any of their respective associates.

INFORMATION ON LONGKOU LONGSHENG

INFORMATION ON LONGKOU LONGSHENG Longkou Longsheng is a company established in the PRC with limited liability and is owned as to 66.7% by 龍口市電纜廠 (Longkou City Cable Factory*), a collective enterprise and as to 33.3% by American Trade & Development Co (美國貿易與發展有限公司), a company incorporated in the United States with Mr. Wang Yi as its controlling shareholder. Longkou Longsheng is engaged in the manufacturing and sales of plastic wiring and cable products and related accessories, automotive and other plastic and metal products. To the best of the knowledge and belief of the Directors and having made all reasonable enquiries, each of Longkou Longsheng and its ultimate beneficial owners is an independent third party and is not a connected person of any Directors, chief executive or substantial shareholders of the Company and its subsidiaries, or any of their respective associates.

REASONS FOR THE ACQUISITION

In order to ensure the productivity and diversity of the products for the further expansion of the Group and to effectively lower the production costs and enhance the manufacturing mode of the Group, the Group had actively planned to establish a manufacturing base in the rapidly developing Bohai Bay area in the northern part of the PRC. On 26 April 2006, the Group established the Purchaser with Anbo with a view to establish a production base in the northern part of the PRC to produce and diversify the Group's products and to take advantage of the lower production costs due to lower wages and administrative expenses. The Purchaser will be principally engaged in the manufacturing of automobile power charging cables and emergency power packs, which are components to the Group's products. In order for the Purchaser to commence production as soon as possible in a cost efficient manner, the Purchaser purchased from Anbo and Longkou Longsheng the Assets I and Assets II as it would be cheaper and faster than installing a new production line. The Directors (including independent non-executive Directors) believe that the Assets Purchase Agreements were entered into on normal commercial terms which are fair and reasonable and in the interest of the Shareholders as a whole.

IMPLICATION OF THE LISTING RULES

Since Mr. Liu is a controlling shareholder of Anbo, which in turn is a substantial shareholder of the Purchaser, holding 49% of its registered capital, pursuant to Rule 14A.11(1) of the Listing Rules, Mr. Liu is considered a connected person of the Company by virtue of his controlling interest in a substantial shareholder, and a director of the Purchaser which is a non-wholly owned subsidiary of the Company.

Further, the transactions under the Assets Purchase Agreements are liable to be aggregated under Rule 14A.25 of the Listing Rules due to fact that both Assets I and Assets II were previously owned by Mr. Liu and the transactions in relation to the transfers of Assets I and Assets II to each of Anbo and Longkou Longsheng took place within twelve months from the date of the Assets Purchase Agreements.

Since two of the relevant percentage ratios, other than the profits ratio (as defined in the Listing Rules) in respect of the acquisitions under the Assets Purchase Agreements are more than 2.5% but less than 25% and the total consideration of RMB9,610,000 (equivalent to approximately HK\$9,514,851) under the Assets Purchase Agreements is less HK\$10,000,000, the acquisitions under the Assets Purchase Agreements constitute connected transactions exempt from the independent Shareholders' approval requirements under Rule 14A.32 of the Listing Rules and are only subject to the reporting and announcement requirements.

GENERAL

Reference is made to page 106 of the prospectus of the Company dated 17 February 2005 in relation to the Company's plan of building a new production plant ("new plant") in the form of a complex which will include production, storage and dormitory areas and such plan was expected to be completed in or around March 2006. As advised by the Company, the new plant will be located in Xiang Avenue, Qingpu Industrial Park, Shanghai (上海市清浦工業園香大路) and the purpose of the new plant was to compliment the long term development of the business of the Group by the introduction of new manufacturing technologies and the increase of productivity. The new plant will be engaged in the production of automobile electronic and electrical products,

including inverters, HID Lights, chargers, multi-functional power packs, cooler/warmer boxes etc.. Despite the fact that the new plant has not yet been completed as planned due to a delay in the relocation of the residents and demolition of the site on which the new plant is to be constructed as a result of governmental red tape, the Company had already completed leveling of the site and the connection of water and electricity supplies. The Company had also obtained oral confirmation from the government authority that the relocation and demolition of the site will be completed by end of December 2006

As a result of the delay in the construction of the new plant, the Company had installed additional production lines and new technological machineries and accessories in the existing plants. At the moment the production capacity of the Group meets with its sales demands. The delay in the construction of the new plant does not bring about any negative impact on the productivity and profitability of the Group. The Directors of the Company confirmed that the acquisitions under the Assets Purchase Agreements are not related to the construction of the new plant.

As at the date of this announcement, the members of the Board comprise (i) the executive Directors, namely Mr. Hung Wei-Pi John, Wu Kwan-Hong, Hung Ying-Lien, Lu Yuan Cheng, Douglas Charles Stuart Fresco and Norman L. Matthew; (ii) the non-executive Director, namely Mr. Low Hsiao-Ping and (iii) the independent non-executive Directors, namely Du Haibo, Zhou Tai-Ming and Uang Chii-Maw.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context

In this announcement, the follo requires otherwise:	wing expressions have the following meanings unless the context
'Anbo''	龍口市安博貿易有限公司 (Longkou City Anbo Trading Co., Ltd.*), a company established in the PRC with limited liability which is owned as to 100% by Mr. Liu and his family members and is a connected person of the Company by virtue of its being a substantial shareholder of the Purchaser which is a non-wholly owned subsidiary of the Company
"Assets I"	Assets I comprises 40 items of equipment and machinery, a vehicle and 37 buildings and structures with a total floor area of 10,626.84 m ² which include several dormitories, plants and their ancillary structures, warehouses and canteens and a 10 cm thick road surface material for a gross area of 3,315.29 m ²
"Assets II"	Assets II comprises three land use rights in relation to three parcels of lands all located at Xiao Jiang Jia Village, Zhu You Guan Town, Longkou City, Shandong Province (山東省龍口市諸由觀鎮小姜家村) with an aggregate gross area of 48,087 m ² and a building ownership in respect of a wiring plant for a gross floor area of 2,880 m ²
"Assets Purchase Agreements"	the Assets Purchase Agreement I and the Assets Purchase Agreement II
"Assets Purchase Agreement I"	the assets purchase agreement dated 1 June 2006 entered into between the Purchaser and Anbo, pursuant which, the Purchaser purchased from Anbo Assets I for a consideration of RMB2,060,000 (equivalent to approximately HK\$2,039,604)
"Assets Purchase Agreement II"	the assets purchase agreement dated 1 June 2006 entered into between the Purchaser and Longkou Longsheng, pursuant which, the Purchaser purchased from Longkou Longsheng Assets II for a consideration of RMB7,550,000 (approximately HK\$7,475,248)
"Company"	New Focus Auto Tech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
"connected person"	has the same meaning ascribed thereto in the Listing Rules
"Directors"	the directors of the Company
"Greater China Regions"	The PRC and Taiwan
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Longkou Longsheng"	龍口龍盛電線電纜有限公司 (Longkou Longsheng Wire and Cable Co., Ltd.*), a company incorporated in the PRC with limited liability which is owned as to 66.7% by 龍口市電纜廠 (Longkou City Cable Factory*) and as to 33.3% by 美國貿易與 發展有限公司 (America Trade and Development Co*) and to the best of the knowledge and belief of the Directors and having made all reasonable enquiries, each of Longkou Longsheng and its ultimate beneficial owners is an independent third party and is not a connected person of any Directors, chief executive or substantial shareholders of the Company and its subsidiaries, or any of their respective associates
"Mr. Liu"	Mr. Liu Yuanqiang, the beneficial owner of 90% equity interest of Anbo and a director of the Purchaser. He is a connected person of the Company by virtue of his controlling interest in Anbo, a substantial shareholder, and a director of the Purchaser. Both Assets I and Assets II were previously beneficially owned by Mr. Liu prior to the respective transfers of Assets I and Assets II to Anbo and Longkou Longsheng
"Perfect Progress"	Perfect Progress Investments Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
"PRC"	the People's Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Purchaser"	山 東 新 焦 點 龍 盛 汽 車 配 件 有 限 公 司 (Shandong New Focus Longsheng Auto Parts Co., Ltd.*), an indirectly non-wholly owned subsidiary of the Company which is owned as to 49% by Anbo and as to 51% by Perfect Progress
"Shareholders"	holders of the shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK\$" "RMB"	Hong Kong dollars, the lawful currency of Hong Kong Renminbi, the lawful currency of the PRC
KMB For the purpose of this appound	remain and for illustration purpose only all amounts in PMR have

For the purpose of this announcement and for illustration purpose only, all amounts in RMB have been translated into HK\$ at a rate of HK\$1.00 to RMB1.01.

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

Hong Kong 8 December 2006