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EVA Precision Industrial Holdings Limited
億和精密工業控股有限公司

(Incorporated with limited liability in the Cayman Islands)

(Stock Code: 838)

CLARIFICATION ANNOUNCEMENT

This announcement is made in response to recent news reports regarding the Company's investment in Wuhan. According to such reports, the Company has entered into a RMB1 billion auto-parts project agreement.

EVA Precision Industrial Holdings Limited (the “**Company**”) noted that recently certain news reports claim that the Company entered into a RMB1 billion auto-parts project agreement with the People's Government of Caidian District, Wuhan City, Hubei Province, China on 31 May 2011 (the “**News Reports**”).

The board of directors of the Company (the “**Board**”) wishes to clarify that notwithstanding anything mentioned in the News Reports about the said project agreement, the Company only has an initial plan to acquire land in Wuhan for building production plants for self use. The acquisition of land will be subject to the signing of a land grant contract. According to the Board's current estimate of the land costs, the entry into such land grant contract will not constitute a discloseable transaction of the Company within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Furthermore, the size and scale of the production plants to be constructed are still under consideration by the Company.

By Order of the Board
EVA Precision Industrial Holdings Limited
Zhang Hwo Jie
Chairman

Hong Kong, 10 June 2011

As at the date of this announcement, the Board comprises four executive directors, being Mr. Zhang Hwo Jie (Chairman), Mr. Zhang Jian Hua (Vice Chairman), Mr. Zhang Yaohua (Chief Executive Officer) and Mr. Nomo Kenshiro and three independent non-executive directors, being Dr. Lui Sun Wing, Mr. Choy Tak Ho and Mr. Leung Tai Chiu.