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

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 838)

**GENERAL DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES**

On 26 June 2008, EVA Limited, a subsidiary of the Company and the Bank entered into the Loan Agreement.

Pursuant to the Loan Agreement, the following specific performance obligations are imposed on the Zhang's Brothers:

- (1) the Zhang's Brothers shall at all times beneficially own, directly or indirectly, an aggregate of at least 51% of the issued share capital of the Company; and
- (2) Mr. Zhang Hwo Jie shall remain as the chairman of the Company.

This announcement is made in compliance with the disclosure requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")

On 26 June 2008, EVA Limited, a subsidiary of EVA Precision Industrial Holdings Limited (the "**Company**"), entered into a loan facilities agreement (the "**Loan Agreement**") with Bank of China (Hong Kong) Limited (the "**Bank**"). The purpose of the loan facilities is to provide working capital for EVA Limited. Pursuant to the Loan Agreement, a term loan for an amount up to HK\$40,000,000 and a revolving loan for an amount up to HK\$40,000,000 were made available to EVA Limited. The term loan has a repayment term of four years from the date of drawdown and is repayable by twelve quarterly installments. The first installment is repayable to the Bank fifteen months after the date of drawdown. The revolving loan has a repayment term of one year from the date of drawdown.

In consideration of the Bank providing the aforesaid banking facilities, the following specific performance obligations are imposed on several shareholders of the Company, namely, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua (the "**Zhang's Brothers**"):

- (1) the Zhang's Brothers shall at all times beneficially own, directly or indirectly, an aggregate of at least 51% of the issued share capital of the Company; and
- (2) Mr. Zhang Hwo Jie, an executive director and controlling shareholder of Company, shall remain as the chairman of the Company.

A breach of the aforesaid obligations will constitute an event of default under the Loan Agreement, which may result in the cancellation of all or any part of the commitments under the loan facilities and all borrowed amounts outstanding becoming immediately due and payable.

As at the date of this announcement, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua own 36%, 31% and 33% respectively of the entire issued share capital of Prosper Empire Limited, which in turn owns approximately 49.89% of the issued share capital of the Company. In addition, the Zhang's Brothers have or are taken or deemed to have an aggregate interest (within the meaning of the Securities and Futures Ordinance) of approximately 3.50% of the issued share capital of the Company. They also have personal interests in options granted under the share option scheme of the Company to subscribe for an aggregate of approximately 1.09% of the issued share capital of the Company.

In accordance with the Listing Rules, similar disclosure will also be included in the subsequent interim and annual reports of the Company for so long as the aforesaid specific performance obligations continue to exist.

By order of the board of directors of  
**EVA PRECISION INDUSTRIAL HOLDINGS LIMITED**  
**ZHANG HWO JIE**  
*Chairman*

Hong Kong, 26 June 2008

*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.*