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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)

**PRESS CLARIFICATION ANNOUNCEMENT**  
**AND**  
**RESUMPTION OF TRADING**

This announcement is made by EVA Precision Industrial Holdings Limited (the “**Company**” and together with its subsidiaries the “**Group**”) at the request of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company noted an article in the Ta Kung Pao on 14 May 2010 in respect of, among others, the Group’s expected profit margins and production capacity utilisation rate for year 2010.

The board of directors (the “**Board**”) of the Company wishes to reiterate that as disclosed in the Company’s annual report for the year ended 31 December 2009, the Group had been building new plants to allow capacity expansion in 2008 and 2009. However, with the financial tsunami which took place in late 2008/early 2009, the Group’s production capacity was under-utilised and the Group’s performance for the last two financial years had been adversely affected. The Board expects that with the substantial increases in order flows starting from the fourth quarter of 2009, the Group’s production capacity utilisation rate will be substantially improved and which, in turn, will have a positive impact on the Group’s bottom-line.

**RESUMPTION OF TRADING**

Trading in the shares of the Company on the Stock Exchange has been suspended from 9:38 a.m. on 14 May 2010 at the request of the Stock Exchange pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company from 9:30 a.m. on 17 May 2010.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 14 May 2010

*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.*