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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 10 May 2012, EVA Limited and EVA Plastic Mould Products (HK) Limited, wholly-owned subsidiaries of the Company, confirmed their acceptance of the DBS Facility Letters which contain certain specific performance obligations on the Controlling Shareholders.

This announcement is made by EVA Precision Industrial Holdings Limited (the “**Company**”) 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**”).

BANKING FACILITIES PROVIDED BY DBS BANK (HONG KONG) LIMITED

On 10 May 2012, EVA Limited and EVA Plastic Mould Products (HK) Limited, wholly-owned subsidiaries of the Company, confirmed their acceptance of the facility letters issued by DBS Bank (Hong Kong) Limited (“**DBS**”) (“**DBS Facility Letters**”). Pursuant to the DBS Facility Letters, DBS agrees to make available to EVA Limited a new term loan/finance lease facility up to an aggregate principal amount of HK\$140,000,000. The tenor of the new term loan/finance lease facility is 48 months after the date of advance of the loan. Together with the existing facilities which include other finance lease facilities with outstanding balance of HK\$2,664,184 as at 13 April 2012 (fully repayable in 2012) and factoring facilities up to HK\$90,000,000, the total facility limit under the DBS Facility Letters is HK\$232,664,184 (together with the new term loan/finance lease facility referred to as “**DBS Banking Facilities**”)

The following specific performance obligations are imposed on Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua (together the “**Controlling Shareholders**”) under the DBS Facility Letters:

- (1) the Controlling Shareholders shall maintain not less than 35% of the issued share capital of the Company and shall remain as the single largest shareholder of the Company; and
- (2) Mr. Zhang Hwo Jie shall remain as the chairman of the board of directors of the Company.

A breach of the aforesaid obligations will constitute an event of default under the DBS Facility Letters whereupon DBS may at any time by notice in writing to EVA Limited and EVA Plastic Mould Products (HK) Limited declare that the DBS Banking Facilities be cancelled and/or the loans and all interests and fees and commissions accrued and all other sums payable under the DBS Facility Letters become immediately due and payable.

As at the date of this announcement, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua owns 38%, 29% and 33% respectively of the issued share capital of Prosper Empire Limited, which in turn owns approximately 36.5% of the issued share capital of the Company. In addition, the Controlling Shareholders also hold, either personally or through other investment holding company, approximately 1.8% 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
EVA Precision Industrial Holdings Limited
Zhang Hwo Jie
Chairman

Hong Kong, 10 May 2012

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.