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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)

### **POSITIVE PROFIT ALERT**

This announcement is made by EVA Precision Industrial Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the unaudited management accounts of the Group for the five months ended 31 May 2021 and the unaudited financial information relating to June 2021 available as at the date of this announcement, the Group is expected to record a profit for the six months ended 30 June 2021 of approximately HK\$48 million to HK\$61 million, representing a year-on-year increase between approximately 174% and 193%, as compared to a loss of approximately HK\$66 million for the corresponding period in 2020.

The expected turnaround from loss to profit is mainly due to the following:

(i) both the Group’s office automation equipment and automotive components business have recorded double-digit growth in segmental revenue as compared to the corresponding period in 2020. Since the domestic economy continued to maintain a steady growth momentum during the first half of 2021, and the global economy has gradually recovered as a result of the overall control of the COVID-19 pandemic brought about by the favourable progress in vaccination, the Group has firmly seized the opportunities and continued to focus on our core values and has thereby fostered business growth; (ii) improvement in gross profit margin by around 1 to 2 percentage points, hence a substantial increase in gross profit as compared to the corresponding period in 2020 as a result of better utilisation of the Group’s production facilities; (iii) implementation of effective cost control strategies by the Group, thus maintaining the general and administrative expenses at a stable level; and (iv) the synergy achieved by the acquisition of Futaba Metal Products (Shenzhen) Co., Ltd. since April 2021 (please refer to the announcement of the Company dated 16 April 2021 for details).

This announcement is only based on the assessment by the Board by reference to the unaudited management accounts of the Group for the five months ended 31 May 2021 and the unaudited financial information relating to June 2021 available as at the date of this announcement. The information contained in this announcement is not based on any figures or information that has been audited or reviewed by the external auditor of the Company. The interim results announcement of the Company for the six months ended 30 June 2021 is expected to be released in August 2021.

**Shareholders of the Company 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, 8 July 2021

*As at the date of this announcement, the Board comprises three executive directors, being Mr. Zhang Hwo Jie (Chairman), Mr. Zhang Jian Hua (Vice Chairman), and Mr. Zhang Yaohua (Chief Executive Officer) and three independent non-executive directors, being Mr. Lam Hiu Lo, Dr. Chai Ngai Chiu Sunny and Ms. Ling Kit Sum.*