

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

INSIDE INFORMATION UPDATE ON ORDERS FROM A CUSTOMER

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 (Chapter 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 of the Company that, based on the latest business review of the Group, the total value of orders received by the Group from a well-known company established in the People’s Republic of China (the “**Customer**”) for the six months ended 30 June 2022 was approximately HK\$300 million, representing a year-on-year increase of approximately 567% as compared to the total value of orders from the Customer of approximately HK\$45 million for the six months ended 30 June 2021. As at the date of this announcement, the total value of orders received by the Group from the Customer was approximately HK\$660 million, and such orders generally have a project lifecycle (from the receipt of such orders to the delivery of the relevant product(s)) ranging from approximately one year to three years. Based on the Group’s latest business review and estimated delivery schedule of such orders in respect of the third and fourth quarters of 2022 available as at the date of this announcement, the total value of orders from the Customer which have been delivered and recognised as revenue during 2021 was approximately HK\$35 million, and the total value of orders from the Customer which are estimated to be delivered and recognised as revenue during 2022 is expected to be approximately HK\$100 million, respectively. The total value of orders from the Customer received but yet to be delivered as at 31 December 2022 is estimated to be approximately HK\$525 million, which will be recognised as revenue upon delivery of the relevant products during 2023 and 2024.

The Group initiated negotiations with the Customer in early 2021 regarding the cooperation in the automotive component business such as energy storage battery system, onboard storage battery system, photovoltaic inverter and smart cockpit as well as internet server business. In the first half of 2022, the Group had been successful in the biddings for a number of major projects, which include

projects related to integrated services for the manufacturing of high-precision components and product assembly for its automotive component business and internet server business. The Group expects to commence mass production of such projects in the fourth quarter of 2022.

The Group has established a production plan for the projects awarded to the Group after taking into account the relevant equipment and production capacity required for satisfying the orders from the Customer, and the Group is fully prepared for accelerating the mass production of such projects and expediting the implementation of the projects that are in the feasibility stage. Through the comprehensive strategic cooperation with the Customer, the Company is confident in its ability to seize the significant development opportunities with respect to the energy storage and new energy industries, with a view to providing quality services to its customers which would in turn strengthen the future development of the Group as a whole.

The value of the orders as referred to in this announcement will only be recognised as revenue when the products are delivered to the Customer. Until such delivery, the value of such orders shall not be construed as revenue. There is no assurance that the value of such orders would be recognised as revenues and/or profits, and even if revenue is recognised, it is possible that a loss may be recorded.

The information contained in this announcement (including the expected revenue that will be attributable to the Customer) is only based on the preliminary assessment by the Group's management and other information currently available, which have not been reviewed, confirmed or audited by the auditors of the Group, and is subject to possible adjustments arising from further review.

Shareholders of the Company and potential investors of the Company 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, 26 July 2022

As at the date of this announcement, the Board of the Company 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.