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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)

INSIDE INFORMATION
STRATEGIC COOPERATION WITH 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.

STRATEGIC COOPERATION ARRANGEMENT

The board of directors (the “**Board**”) of the Company is pleased to announce that the Company and Digit Stamping Technology (Wuhan) Limited* (數碼模沖壓技術(武漢)有限公司), a wholly-owned subsidiary of the Company, have been receiving orders from, and have recently begun to supply products to, BYD Auto Industry Co., Ltd.* (比亞迪汽車工業有限公司) (“**BYD**”), one of the leading manufacturers of new energy vehicles in the People's Republic of China (the “**PRC**”). The Board considers that future long-term collaborations with BYD is conducive to achieving the Group’s overall business development and strategic objectives in the new energy vehicles sector and, accordingly, the Company is currently finalising its negotiations with BYD in relation to the terms of a long-term strategic cooperation arrangement (the “**Arrangement**”). The Group intends that, under the Arrangement, the parties will cooperate and collaborate in the development, manufacturing and supply of various vehicle body structure parts and other products in accordance with the requirements of BYD for its various new energy and other vehicle models that will be manufactured in the PRC. Subject to the finalisation of the terms of the Arrangement, it is intended that such strategic cooperation will initially take place at BYD factories located in Changsha, and the Group aims to subsequently extend such strategic cooperation to BYD factories located in other cities in the PRC, such as Zhengzhou, Jiangxi and Xi’an.

As at the date of this announcement, the terms of the Arrangement have not yet been finalised, and remain subject to further discussions and negotiations between the parties.

INFORMATION ON BYD

BYD, a company established in the PRC, is a wholly owned subsidiary of BYD Company Limited, a company listed on the Stock Exchange of Hong Kong Limited and the Shenzhen Stock Exchange (stock codes: 01211.HK and 002594.SZ). BYD is principally engaged in the research, development, sale and manufacture of automobiles and light rail transit equipment, including new energy vehicles.

To the best of the Directors' knowledge, information and belief and having made reasonable enquiries, BYD and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE ARRANGEMENT

The Group has been devoting efforts in promoting its business in the new energy vehicles sector in recent years, with increased client satisfaction and recognition, as well as established business relationships.

Given the increased focus on energy savings, reduced emissions and low-carbon footprints, the demand for the new energy vehicles market is anticipated to rapidly increase and become a key business growth driver for the automotive components industry. The Group will continue to actively establish strategic partnerships with domestic and foreign customers in order to further expand into the new energy vehicles business. The Board considers that the intended collaboration with BYD, one of the leading manufacturers of new energy vehicles in the PRC, will be an important milestone and is conducive to achieving the Group's overall business development and strategic objectives in the new energy vehicles sector. The Board is confident that the collaboration, if realised, will enable the Group to secure more business in the new energy vehicles sector, creating synergies through economies of scale, and providing a solid foundation for the Company's future growth and development in the new energy vehicles sector. The Company believes that the cooperation with BYD is in the interests of the Company and its shareholders as a whole.

The Board wishes to emphasise that as at the date of this announcement, the terms of the Arrangement have not yet been finalised, and remain subject to further discussions and negotiations between the parties. Shareholders of the Company and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcements as and when appropriate in accordance with the Listing Rules.

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

Hong Kong, 6 September 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.

** For ease of reference, the English names of the PRC entities have been included in this announcement for identification and reference only, and the official name of such entities are in Chinese.*