[For immediate release]

EVA ANNOUNCES 1H2010 INTERIM RESULTS

INTERIM NET PROFIT JUMPED 811.8%

Highlights

- **Profit attributable to equity holders increased by 811.8% to HK$140.2 million (Six months ended 30 June 2009: HK$15.4 million)**
- **Revenue increased by 66.3% to HK$820.6 million (Six months ended 30 June 2009: HK$493.4 million)**
- **Basic earnings per share was HK21.9 cents (Six months ended 30 June 2009: Basic earnings per share of HK2.3 cents)**
- **Interim dividend per share of HK6.5 cents was declared (Six months ended 30 June 2009: Interim dividend per share of HK0.82 cents)**
- **The Group's strategy to focus on China's domestic consumer market met with huge success**
- **Strong balance sheet position allows the Group to continue to pursue both organic and inorganic growth**
- **Gross and net profit margin returned to the normal level before financial tsunami**

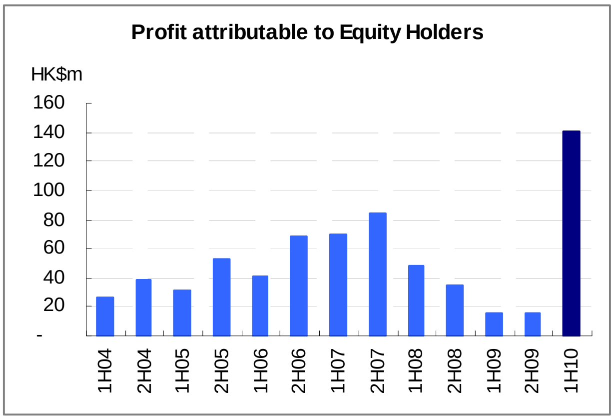
(Hong Kong, 16 August 2010) — **EVA Precision Industrial Holdings Limited** ("EVA" or the "Group''; stock code: 838) announces its interim results for the 6 months ended 30 June 2010.

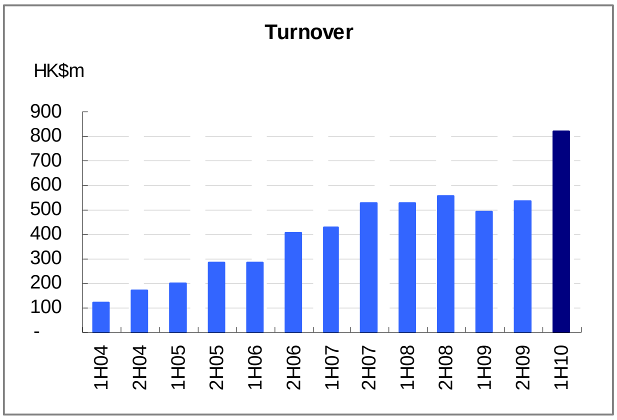
Turnover, Gross Profit, Net Profit and Net Assets all achieved record highs

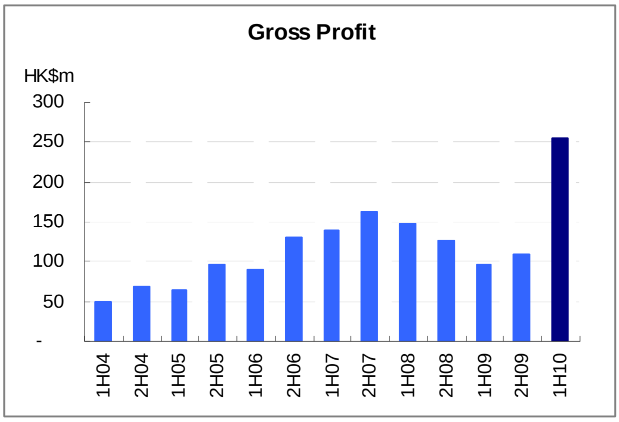
The first half of 2010 was another period of milestone events and achievements for the Group. It has completely recovered from the trauma of the financial tsunami in 2008/2009, besides, its business fundamentals have also improved by leaps and bounds.

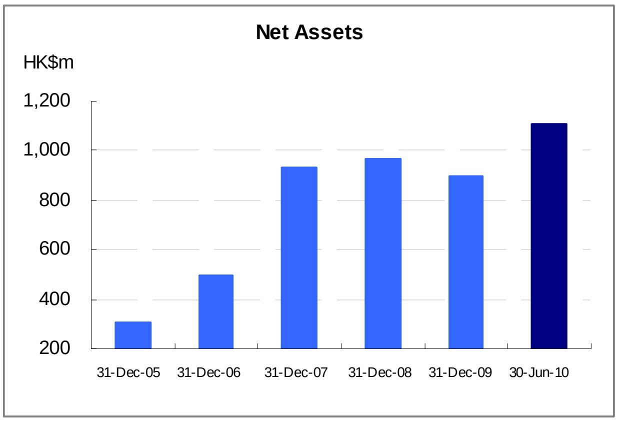
Turnover for the six months ended 30 June 2010 recorded a significant growth of 66.3% to approximately HK$820.6 million. Profit attributable to equity holders for the six months ended 30 June 2010 increased substantially by approximately 811.8% to HK$140.2 million, as compared to HK$15.4 million in 1H2009.

Basic earnings per share was HK21.9 cents as compared to HK2.3 cents in 1H09. Interim dividend per share of HK6.5 cents was declared.









Gross profit margin resumed to the pre-crisis levels

Gross profit margin resumed to 31.1% as compared to 19.3% in 1H09. This was because, in 1H09, the Group's GP margin was adversely affected by the financial tsunami which resulted in a capacity under-utilization. Thanks to the resurgence of orders from international brand owners and the Group's successful shift to focus on China's domestic consumer market, GP margin returned to the Group's pre-crisis level at over 30%.

Strategic Shift to China's domestic consumer market met with huge success

In order to capitalize on the China consumption boom, the Group has been making conscious efforts to expand from its previous concentration on just OA equipment (primarily destined for overseas markets) to a diversity of consumer products geared towards domestic consumption in China. Thus far, the Group has already made significant progress in new product lines such as **consumer electronics, automobile and medical equipment**.

As part of the Group's strategic shift to focus on China's domestic consumption, the Group is constructing a new production base in Zhongshan, Guangdong Province, which is scheduled for completion by the end of 2010. Apart from better serving certain of the existing customers such as Canon and Midea, the primary purpose of establishing the new production base in Zhongshan is to facilitate the Group's penetration into the domestic automobile and home appliance markets on the western bank of the Pearl River Delta Region. Target customers include **Gree, Hisense-Kelon, Guangzhou Automobile Group** and the new production facilities of **Dongfeng-Nissan** and **FAW-Volkswagen** located in Guangzhou and Foshan which are currently under construction.

In addition, the Group has established a sale office in Chongqing in March 2010, which is intended to source orders from domestic automobile makers such as **Changan Ford**, **Qingling Motors** and **Suzuki**. In due course, the Group plans to set up sales offices in various other cities in China including **Changchun, Tianjin and Huizhou** in order to service customers in the high tech consumer electronics industry.

Strong cash flows generated from operations and recent share placement further strengthened financial position

During the period, the Group continued to devote substantial effort to maintaining a healthy balance sheet. This is evidenced by the fact that its inventory turnover days continued to decrease to 39 days and its cash conversion cycle (defined as the total sum of inventory and debtors' turnover days less creditors' turnover days) was maintained at 40 days despite the significant growth in turnover and business volume. The Group's conscious effort to tightly control the cash conversion cycle reduces its working capital requirements in preparation for the quantum leap in turnover in the future. In addition, the Group executed a share placement in early July 2010 from which net proceeds of approximately HK$276,074,000 were raised.

Negative News Flows on Labor Relations present the Group with another huge opportunity

During the first half of 2010, the manufacturing sector in Southern China was clouded by negative news flows about labor relations, which adversely affected a lot of local manufacturers. Unlike other manufacturers in China, the Group has always been devoting substantial resources to creating a harmonious working environment. The Group has received numerous accolades in this respect, which included *"Corporate Citizen – Responsibility for Society Award"* (企業公民 - 責任貢獻社會獎) from an organization under the Ministry of Civil Affairs of the People's Republic of China in 2007 and *"Employee Care Award"* (關愛員工獎) from an organization under the Ministry of Commerce of the People's Republic of China in 2009.

As such, the recent negative news flows in Southern China's labor market actually presented the Group with another huge opportunity. In order to avoid disruptions in the supply chain, brand owners are finding it necessary to **shift their orders from small sized manufacturers to established companies with proven labor relations record such as EVA**.

Mr. Zhang Hwo Jie, Chairman of EVA, said, "The market size for moulds and components in OA equipment market was estimated to be more than HK$141 billion in June 2010. However, this market is still very fragmented and is mainly dominated by Japanese suppliers. The OA equipment industry is currently undergoing a supplier base consolidation process, which is clearly evidenced by the large new order equivalent to 3.5 times of our FY2009 revenue awarded to the Group in May 2010[1]. Going forward, with the continuing trend of supplier base consolidation in the OA equipment industry, we expect more orders of similar sizes coming from other international brand owners."

"Our strategic shift to focusing on China's domestic consumer market has already met with huge success, as evidenced by the strong growth in our business and profitability. Our turnover, gross profit, net profit and net assets all achieved historical highs. The Group is now in an unprecedentedly strong position to continue its fast growth pace, both organically and inorganically, " **Mr. Zhang continued**.

"As always, the Group is committed to the maximization of shareholder value. Since our listing in 2005, we have always been adhering to a dividend payout at 30% to 35% of net profit, and the first half of 2010 is no exception. In addition to delivering shareholder returns though, we will continue to uphold the highest level of corporate governance whilst fulfilling our responsibilities towards our employees and the society," **Mr. Zhang concluded.**

~ End ~

[1] For details, please refer to the Company's HKEX Announcement dated 10 May 2010.

About EVA Precision Industrial Holdings Limited

EVA is a vertically-integrated precision metal and plastic mould and component manufacturing service provider. The Group's existing services include mainly i) design and fabrication of precision metal stamping and plastic injection moulds; ii) manufacturing of precision metal stamping and plastic injection components by using tailor-made metal stamping and plastic injection moulds; iii) lathing of metal components and iv) assembly of precision metal and plastic components manufactured by the Group into semi-finished products.

The Group's business model is unique and different to ordinary OEMs/ODMs. Brand owners normally require the Group to jointly co-develop the relevant moulds with them right from their product development stages. Thereafter, the completed moulds would be consigned in the Group's production plants for future mass production of components and semi-finished products. Because of the high level of skills and technologies required to design and fabricate moulds with high degree of precision and dimensional accuracies, the Group has strong pricing power over its customers.

Conscious efforts have been recently made by the Group to switch from its previous focus on office automation ("OA") equipment primarily destined for exports to catering for the Consumer Sector in China. In addition to the OA market, the Group has recently made significant inroads into new products lines including consumer electronics/durables, automobiles and sophisticated medical equipment, all of which are destined for the fast growing domestic consumption market in China.

For more information, please visit http://www.eva-group.com

For more information:

EVA Precision Industrial Holdings Limited

Francis Wong	+852 2620 6488	Email: franciswong@eva-group.com

Fax: +852 2191 9978

Strategic Financial Relations Limited

Cindy Lung	+852 2864 4867 / 9282 4640	Email: cindy.lung@sprg.com.hk
Linda Pui	+852 2864 4873 / 9700 0178	Email: linda.pui@sprg.com.hk
Tiffany Cheung	+852 2864 4817 / 9288 3940	Email: tiffany.cheung@sprg.com.hk

Fax: +852 2804 2789 / 2527 1196