



## **EVA PLACES 47 MILLION NEW SHARES AT HK\$6.25 TO RAISE APPROXIMATELY HK\$ 284 MILLION**

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### **TO FUND CONTINUOUS BUSINESS EXPANSION AND POTENTIAL ACQUISITION OPPORTUNITIES**

(Hong Kong, 4 March 2011) — **EVA Precision Industrial Holdings Limited** (“EVA” or the “Group”; stock code: 838) announced that it has entered into a placing agreement with CLSA Limited to place 47 million new shares at HK\$6.25 per share to raise net proceeds of approximately HK\$284 million. The placing price represents a premium of approximately 4.52% to the average closing price of HK\$5.98 per share for the last ten trading days prior to the placement. Upon completion of the share placement, the total number of issued shares of EVA will increase from 829 million to 876 million.

The new shares will be placed to Janus Capital Management LLC (“Janus Capital”), an asset management firm listed on the New York Stock Exchange. Net proceeds from the share placement will be used for funding continuous business expansion and potential acquisition opportunities.

**Mr Zhang Hwo Jie, Chairman of EVA**, said, “We have an excellent beginning in the year of 2011. In February 2011, we announced a positive profit alert and expected our profit for the year ended 31 December 2010 to increase by not less 800% as compared to the year ended 31 December 2009 (see Company Announcement dated 25 February 2011). Today, we are also delighted to have attracted prestigious investor like Janus Capital to join as our shareholder. This share placement has broadened our shareholder base, and more importantly the fund raised will also enable us to grow at a faster pace not only in the office automation (OA) equipment industry, but also in the booming Chinese consumer electronics, automobile and medical equipment market.”

“Whilst we expect substantial growth momentum to be continuously obtained from the OA equipment industry, the Group has been actively seeking opportunities for further penetration into the China consumer sector. To accelerate the process, the Group has been considering appropriate merger and acquisition opportunities (see Company’s Interim report dated 16 August 2010). Following the share placement, we are equipped with the necessary financial resources for acquiring suitable targets, with a view to strengthening our foundation in the Chinese consumption market”

“Our outstanding performance in 2010 is a solid evidence of our competitiveness and pricing power. In the future, we will continue to do our best to provide customers with services and products of highest quality, and equally important, our shareholders with the highest possible return.” **Mr. Zhang** concluded.

#### **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.

Whilst the office automation (“OA”) equipment industry is expected to continue providing substantial growth momentum to the Group, the Group is also making conscious effort for the consumer sector in China. In addition to the OA market, the Group has made significant inroads into other 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:**

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