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EVA Precision Industrial Holdings Limited
億和精密工業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 838)

GENERAL DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

On 3 April 2012, EVA Limited, a wholly-owned subsidiary of the Company, executed the HSB Facility Letter which contains certain specific performance obligations on the Controlling Shareholders.

This announcement is made by EVA Precision Industrial Holdings Limited (the “**Company**”) in compliance with the disclosure requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

BANKING FACILITIES PROVIDED BY HANG SENG BANK LIMITED

On 3 April 2012, EVA Limited, a wholly-owned subsidiary of the Company, executed a facility letter issued by Hang Seng Bank Limited (“**HSB Facility Letter**”). Pursuant to the HSB Facility Letter, Hang Seng Bank Limited agrees to grant a new term loan facility of HK\$250,000,000 to EVA Limited. This new term loan facility has a final maturity date being 4 years from the end of the Drawdown Availability Period (which is within 5 months from 13 March 2012 or such later dates as Hang Seng Bank Limited may agree). Together with its existing facilities which include another term loan with outstanding balance of HK\$26,400,000 as at 31 March 2012 and a final maturity date on 30 January 2014 and combined documentary credits of HK\$25,000,000, the total facility limit under the HSB Facility Letter is HK\$301,400,000. The new term loan facility is intended to be used for working capital requirements and funding capital expenditures in the existing office automation equipment business and the new automobile component business.

The following specific performance obligations are imposed on Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua (together, the “**Controlling Shareholders**”) under the HSB Facility Letter:

- (1) the Controlling Shareholders shall maintain not less than 35% of the issued share capital of the Company; and
- (2) Mr. Zhang Hwo Jie shall remain as the chairman of the board of directors of the Company.

A breach of the aforesaid obligations will constitute an event of default under the HSB Facility Letter whereupon Hang Seng Bank Limited may declare the term loans immediately due and payable and any undrawn balance of the term loan facilities will automatically be cancelled and no longer be available to EVA Limited.

As at the date of this announcement, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua own 38%, 29% and 33% respectively of the issued share capital of Prosper Empire Limited, which in turn owns approximately 36.5% of the issue share capital of the Company. In addition, the Controlling Shareholders also hold, either personally or through other investment holding company, approximately 1.8% of the issued share capital of the Company.

In accordance with the Listing Rules, similar disclosure will also be included in the subsequent interim and annual reports of the Company for so long as the aforesaid specific performance obligations continue to exist.

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

Hong Kong, 3 April 2012

As at the date of this announcement, the Board comprises four executive directors, being Mr. Zhang Hwo Jie (Chairman), Mr. Zhang Jian Hua (Vice Chairman), Mr. Zhang Yaohua (Chief Executive Officer) and Mr. Nomo Kenshiro and three independent non-executive directors, being Dr. Lui Sun Wing, Mr. Choy Tak Ho and Mr. Leung Tai Chiu.