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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)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE DISPOSAL OF LAND AND PROPERTIES IN WEIHAI CITY**

DISPOSAL OF LAND AND PROPERTIES

On 31 July 2025, Intops Electronics (an indirect wholly-owned subsidiary of the Company) and Weihai Innovation Park entered into the SPA, pursuant to which Intops Electronics agreed to sell, and Weihai Innovation Park agreed to purchase, the Land together with the Properties located in Weihai City for the total consideration of RMB64,107,700 (equivalent to approximately HK\$70,518,470).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, but is not required to be approved by the shareholders of the Company.

INTRODUCTION

On 31 July 2025, Intops Electronics (an indirect wholly-owned subsidiary of the Company) and Weihai Innovation Park entered into the SPA, pursuant to which Intops Electronics agreed to sell, and Weihai Innovation Park agreed to purchase, the Land together with the Properties located in Weihai City for the total consideration of RMB64,107,700 (equivalent to approximately HK\$70,518,470).

PRINCIPAL TERMS OF THE SPA

The principal terms of the SPA are set out as follows:

Date

31 July 2025

Parties

- (1) Intops (Weihai) Electronics Co., Limited* (因塔思(威海)電子有限公司), an indirect wholly-owned subsidiary of the Company, as vendor; and
- (2) Weihai Gaoxin Innovation Park Operation Management Co., Ltd* (威海高新創業園運營管理有限公司), as purchaser.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiry, as at the date of this announcement, (a) Weihai Innovation Park is a State-owned entity, which is indirectly wholly-owned by Weihai Torch High Technology Industrial Development Zone Finance Management Centre* (威海火炬高技術產業開發區投融資管理中心), a unit of the Weihai City Municipal People's Government; and (b) each of Weihai Innovation Park and its ultimate beneficial owners is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

Assets to be disposed of

Pursuant to the SPA, Intops Electronics agreed to sell, and Weihai Innovation Park agreed to purchase, the Land together with the Properties located in Weihai City. Please refer to the section headed “*Information on the Land and the Properties*” in this announcement for further details.

Consideration

The total consideration of RMB64,107,700 (equivalent to approximately HK\$70,518,470) for the Disposal was arrived at after arm's length negotiations between the Parties with reference to the valuation on the Land and the Properties (including the Ancillary Equipment) as appraised by Weihai Huadi, an independent professional valuer. Pursuant to the SPA, if any of the Ancillary Equipment is not in normal working condition, the total consideration shall be reduced by an amount equal to the agreed value of the relevant Ancillary Equipment as set out in the SPA.

Pursuant to the SPA, the consideration shall be payable in cash by Weihai Innovation Park in two instalments as follows:

- (a) the Parties shall establish a controlled bank account (the “**Controlled Bank Account**”) with the relevant bank (the “**Bank**”) on or before 15 November 2025;
- (b) Weihai Innovation Park shall transfer an instalment amount representing 70% of the total consideration (the “**First Instalment**”) into the Controlled Bank Account on or before 15 December 2025;

- (c) during the period from 1 January 2026 to 15 January 2026, the Parties shall handle the relevant transfer procedures of the Land and the Properties, and upon obtaining the registration certificates in the name of Weihai Innovation Park relating to the Land and the Properties (including the land use rights certificate (土地使用證), the real estate ownership certificate (房地產權證) and the immovable property ownership certificate (不動產權證書)) (collectively, the “**Certificates**”), the Parties shall jointly present such Certificates to the Bank on or before 15 January 2026, upon which the Bank shall release the First Instalment from the Controlled Bank Account to such bank account designated by Intops Electronics;
- (d) upon receipt of the First Instalment, the Parties shall cooperate to complete the transfer of ownership in the Land and the five factories constructed thereon, on an as-is basis, to Weihai Innovation Park on or before 31 January 2026, including:
- (i) Intops Electronics shall have delivered to Weihai Innovation Park all title and other documents relating to the Land and the Properties (including proof of payment of all real property tax and other liabilities);
 - (ii) Intops Electronics shall have vacated and delivered the Land and the Properties (including the Ancillary Equipment in normal working condition) to Weihai Innovation Park; and
 - (iii) Weihai Innovation Park shall have completed the completion inspection of the Land and the Properties (including the Ancillary Equipment), and the Parties shall have jointly confirmed in writing that the transfer of ownership in the Land and the Properties to Weihai Innovation Park has been completed; and
- (e) upon satisfaction of the requirements as set out in paragraph (d) above, Weihai Innovation Park shall pay an instalment amount representing the remaining 30% of the total consideration (the “**Second Instalment**”), to Intops Electronics on 31 January 2026.

If Intops Electronics fails to pay any outstanding real property tax or other liabilities relating to the Land and the Properties as set out in paragraph (d) above, the corresponding amount shall be deducted from the Second Instalment.

If Intops Electronics fails to deliver the Land and the Properties to Weihai Innovation Park by 31 January 2026 as set out in paragraph (d) above, the Parties shall agree on another delivery date, and Intops Electronics shall pay to Weihai Innovation Park a daily occupation fee in relation to the Land and the Properties until the Land and the Properties have been delivered to Weihai Innovation Park.

If the transfer of ownership in the Land and the Properties cannot be completed due to the default of Intops Electronics, Weihai Innovation Park has the right to terminate the SPA. If Weihai Innovation Park elects to exercise such right of termination, Intops Electronics shall (i) refund to Weihai Innovation Park all of the First Instalment and/or the Second Instalment received by Intops Electronics (if any); and (ii) pay to Weihai Innovation a default fee representing 20% of the total consideration (the “**Default Fee**”).

Further, if a Party (“**Terminating Party**”) unilaterally terminates the SPA, the Terminating Party shall pay the Default Fee to the other party.

INFORMATION ON THE LAND AND THE PROPERTIES

As at the date of this announcement, Intops Electronics is the legal and beneficial owner of the Land and the Properties. Particulars of the Land and the Properties are set out as follows:

Location of the Land:	West Gaoqu Keji Road (高區科技路西) and North Yingkou Road (營口路北), Weihai City, Shandong Province
Total site area of the Land:	approximately 33,333.30 square metres
Land use:	Industrial
Term of land use rights:	45 years from 2003 to 2048
Properties situated on the Land:	Five factory buildings with a total gross floor area of approximately 20,784.02 square metres
Ancillary Equipment:	Ancillary equipment installed and/or located at the Properties, including air conditioners, coolers, water heaters and overhead cranes

The book value of the Land and the Properties was approximately HK\$8,106,000, based on the audited financial information of Intops Electronics as at 31 December 2024.

The Land and the Properties (including the Ancillary Equipment) were used by the Group for the manufacturing of moulds and components for the Group’s office automation (“**OA**”) equipment customers, and have not been leased out in the two financial years immediately preceding the execution of the SPA. As such, there was no revenue or profit attributable to the Land and the Properties for the two financial years immediately preceding the execution of the SPA.

According to the valuation report of the Land and the Properties (including the Ancillary Equipment) prepared by Weihai Huadi:

- (a) the value of the Land and the Properties (including the Ancillary Equipment) as at 3 June 2025 amounted to RMB64,107,700 (equivalent to approximately HK\$70,518,470) (the “**Valuation**”). The Valuation is the aggregate of (i) the valuation of the Land and the Properties of RMB63,844,000 (equivalent to approximately HK\$70,228,400); and (ii) the valuation of the Ancillary Equipment of RMB263,700 (equivalent to approximately HK\$290,070); and

- (b) the Valuation was conducted on a market value basis applying the cost method. The cost method estimates the value of the Land and the Properties (including the Ancillary Equipment) by calculating their replacement cost as at the date of the Valuation (including but not limited to the acquisition cost of the Land, the development and construction cost of the Properties and the acquisition cost of the Ancillary Equipment), less the accumulated depreciation.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

It is estimated that the Group will recognise a gain from the Disposal of approximately HK\$62,413,000, calculated with reference to the carrying value of the Land and the Properties based on the audited financial information of Intops Electronics as at 31 December 2024.

The actual gain will be determined based on the actual consideration received by the Group upon completion of the Disposal, and may be different from the above estimation; and such gain is subject to final audit to be performed by the Company's auditors.

The Company intends to apply the net proceeds arising from the Disposal as general working capital of the Group.

INFORMATION ON THE COMPANY AND THE PARTIES

The Company

The Company is an investment holding company. The subsidiaries of the Company are principally engaged in the provision of precision manufacturing services, focusing on the production of moulds and components and automated assembly services with high quality standard and dimensional accuracy.

Intops Electronics

Intops Electronics is a company established under the laws of the PRC and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the manufacturing of moulds and components.

Weihai Innovation Park

Weihai Innovation Park is a company established under the laws of the PRC with limited liability, and is principally engaged in the operations and management of Weihai Gaoxin Innovation Park* (威海高新創業園).

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group has business operations in each of (i) EVA Weihai (Double Islands Bay) Electronic Industrial Park (億和威海(雙島灣)電子產業園) (“**Weihai (Double Islands Bay)**”); and (ii) EVA Weihai (Intops) Electronic Industrial Park (億和威海(因塔思)電子產業園) in Weihai City, where the Land and the Properties are situated (“**Weihai (Intops)**”). In 2024, the Group recorded a 12.2% decline in overall sales in Weihai City. This is primarily due to macro changes affecting the OA equipment sector in the PRC market due to the effects of the economic downturn, as well as the change in consumption patterns and habits of domestic consumers. In particular, the mid-to-low end office and home printers seem to be more popular with modern users, resulting in the Group’s OA equipment customers, who typically focus on high-end products, to gradually reduce production in the PRC, which has affected the Group’s overall business operations in Weihai City. As such, the Company considers that the Disposal is beneficial in order to optimise and streamline resource allocation of the Group by consolidating the Group’s current business operations located in Weihai (Intops) with the Group’s other factories located in Weihai (Double Islands Bay) so as to improve overall manufacturing, production and operational efficiency of the Group, which aligns with the Group’s strategic focus. Further, the Disposal provides a good opportunity for the Group to realise the value of the Land and the Properties at a reasonable price and improve the cash flow of the Group.

After taking into account the factors set out above, the Directors considered that the terms of the Disposal are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, the following terms have the meanings set forth below unless the context requires otherwise:

“Ancillary Equipment”	ancillary equipment installed and/or located at the Properties, including air conditioners, coolers, water heaters and overhead cranes
“Board”	the board of Directors
“Company”	EVA Precision Industrial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange

“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Land and the Properties pursuant to the terms and conditions set out in the SPA
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Intops Electronics”	Intops (Weihai) Electronics Co., Limited* (因塔思(威海)電子有限公司), a company established under the laws of the PRC, and an indirect wholly-owned subsidiary of the Company
“Land”	the parcel of land located at West Gaoqu Keji Road (高區科技路西) and North Yingkou Road (營口路北), Weihai City, Shandong Province
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	collectively, Intops Electronics and Weihai Innovation Park
“PRC”	the People’s Republic of China, which, for the purposes of this announcement only, excludes Taiwan, Hong Kong and the Macau Special Administrative Region
“Properties”	the properties situated on the Land, comprising five factory buildings, and including all Ancillary Equipment installed and/or located at such properties
“RMB”	Renminbi, the lawful currency of the PRC
“SPA”	the sale and purchase agreement dated 31 July 2025 and entered into between Intops Electronics and Weihai Innovation Park in relation to the sale and purchase of the Land and the Properties
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Weihai Huadi”	Weihai Huadi Land and Real Estate Appraisal Co., Ltd.* (威海華地土地房地產評估有限公司), a company established under the laws of the PRC

“Weihai Innovation Park” Weihai Gaoxin Innovation Park Operation Management Co., Ltd*
(威海高新創業園運營管理有限公司), a company established
under the laws of the PRC

“%” per cent

For the purpose of this announcement, unless otherwise specified, conversion of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.10.

* *For ease of reference, the official names of the PRC companies or entities have been included in this announcement in Chinese, and the English translation of the Chinese names are for identification purposes only. In the event of inconsistency, the Chinese language shall prevail.*

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

Hong Kong, 31 July 2025

As at the date of this announcement, the board of directors of the Company comprises four executive directors, being Mr. Zhang Hwo Jie (Chairman), Mr. Zhang Jian Hua (Vice Chairman), Mr. Zhang Yaohua (Chief Executive) and Ms. Zhang Yan Yi, and three independent non-executive directors, being Mr. Lam Hiu Lo, Dr. Chai Ngai Chiu Sunny and Ms. Ling Kit Sum.