



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)

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board announces that Mr. Zhang Jian Hua has been appointed an executive director of the Company with effect from 14 September 2005.

APPOINTMENT OF DIRECTOR

The Board of directors (“Board”) of EVA Precision Industrial Holdings Limited (the “Company”) is pleased to announce that Mr. Zhang Jian Hua (“Mr. Zhang”) has been appointed an executive director of the Company with effect from 14 September 2005.

Mr. Zhang, aged 31, is currently a shareholder of Prosper Empire Limited, which is a shareholder of the Company. He will serve as the vice-chairman of the Company and will be responsible for the overall supervision of day-to-day operations of the Company and its subsidiaries (collectively the “Group”). Mr. Zhang graduated from the University of Shenzhen with a diploma in finance and taxation. Prior to joining the Group, he operated his own business in the civil engineering industry where he obtained substantial experience in business development and management. He is a brother of Mr. Zhang Hwo Jie and Mr. Zhang Yaohua, who are executive directors of the Company. The Board believes that the appointment of Mr. Zhang will strengthen the Group’s overall management capability in light of the continuing expansion of the Group’s Shenzhen operations and the recent establishment of its new production plant in Suzhou.

Mr. Zhang has entered into a service agreement with the Company. Pursuant to the service agreement, Mr. Zhang was appointed an executive director of the Company for a term of two years commencing on 14 September 2005. Mr. Zhang is subject to the retirement and re-election in accordance with the code on corporate governance practices and the articles of association of the Company.

Under the service agreement, Mr. Zhang is entitled to a basic monthly salary of HK\$130,000, subject to review by the Board and the remuneration committee of the Company (the “Remuneration Committee”) from time to time. He is also entitled to a discretionary year-end bonus of an amount to be determined by the Board or the remuneration committee of the Company. The maximum aggregate amount of such discretionary bonus payable to all the executive directors of the Company for any financial year shall not be more than 5% of the audited consolidated profit after taxation and minority interest but before extraordinary items and such bonus of the Company for the relevant financial year. Mr. Zhang is entitled to participate in any bonus scheme that may be introduced by the Company provided that such participation, including the basis for calculating any payments, shall be determined at the sole and absolute

discretion of the Board and the Remuneration Committee. Mr. Zhang is entitled to participate in the mandatory provident fund scheme of the Company and medical, life insurance or other provident fund scheme of the Company (if any) which may be in force from time to time and may also be entitled to other employees' benefits, including bonus and car allowance, at the sole and absolute discretion of the Board and the relevant remuneration committee.

As at the date of this announcement, Mr. Zhang is interested in 124 shares, representing 31% of the entire issued capital of Prosper Empire Limited, which is an associated corporation of the Company under the Securities and Futures Ordinance (Chapter 571).

The Board would like to take this opportunity to express its warmest welcome to Mr. Zhang.

By Order of the Board
ZHANG HWO JIE
Chairman

Hong Kong, 14 September 2005

As at the date of this announcement, the board comprises four executive directors, being Mr. Zhang Hwo Jie (Chairman), Mr. Zhang Yaohua, Mr. Zhang Jian Hua and Mr. Nomo Kenshiro, and three independent non-executive directors, being Mr. Choy Tak Ho, Dr. Lui Sun Wing and Mr. Chan Wai Dune.

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Journal.*