



Elec & Eltek 依利安達

Elec & Eltek International Holdings Limited

(Incorporated in Bermuda with Limited Liability)

(Stock Code: 33)

CLARIFICATION ANNOUNCEMENT

The board of directors of Elec & Eltek International Holdings Limited (the “Company”) wishes to clarify that the “salaries, allowances and benefits in kind” of directors’ remuneration for the year ended 30 June 2003 included in the Company’s annual report for 2003/2004 (note 8 to the consolidated financial statements for the year ended 30 June 2004) should be restated to HK\$14,176,000 instead of the original amount of HK\$11,726,000. For the year ended 30 June 2004, gains of HK\$ 10,050,000 arising from the exercise of share options by certain directors have been included in the “salaries, allowances and benefits in kind” of directors’ remuneration, while such option gains of HK\$2,450,000 in the prior year were not included in the comparative figure for the year ended 30 June 2003. To rectify the inconsistency of presentation between the two financial years, the “salaries, allowances and benefits in kind” for the year ended 30 June 2003 was restated to include such gains to conform with the presentation for the year ended 30 June 2004.

To give more explanation of the nature of “salaries, allowances and benefits in kind” on page 61 of the Company’s annual report for 2003/2004, the following paragraphs are added to note 8 to the consolidated financial statements: —

“Included in benefits in kind are gains of HK\$10,050,000 (2003: HK\$2,450,000) arising from the exercise of share options by certain directors during the year. The amount comprises gains of HK\$4,200,000 (2003: Nil) earned by the independent non-executive directors and is not required to be reflected in the consolidated profit and loss account. Directors’ remuneration for the year ended 30 June 2003 has been restated to conform with the current year’s presentation.

Save as disclosed above, there was no other remuneration payable to the independent non-executive directors during the year (2003: Nil).”

As at the date of this announcement, the Directors of Elec & Eltek International Holdings Limited comprise two Executive Directors, namely, Mr Thomas Tang Koon Yiu and Mr Canice Chung Tai Keung, four Non-executive Directors, namely, Mr David So Cheung Sing, Mr Marcus Tsang Ming Pui, Mr Wilson Tam Kam Ho and Mr Johnny Ng Ho Kin and three Independent Non-executive Directors, namely, Mr Peter Lee Yip Wah, Mr Eugene Lee and Mr Kenneth Shim Hing Choi.

BY ORDER OF THE BOARD
TSO HON YUK MONICA
Company Secretary

Hong Kong, 20 September 2004

Please also refer to the published version of this announcement in the (South China Morning Post)