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This announcement, for which the directors of Riverhill Holdings Limited (the “directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Riverhill Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– (1) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



RIVERHILL HOLDINGS LIMITED

山河控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

ANNOUNCEMENT ON CHANGES OF EXECUTIVE DIRECTORS, AUTHORISED REPRESENTATIVES, COMPLIANCE OFFICER, COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Riverhill Holdings Limited (“the Company”) wishes to announce that Mr. Yick Chong San (“Mr. Yick”) has resigned as executive director, authorized representative, qualified accountant and company secretary of the Company, Mr. Liu Hao (“Mr. Liu”) has resigned as executive director, authorized representative and compliance officer of the Company, and Mr. Wang Guo Wei (Mr. Wang) has resigned as executive director of the Company with effect from 23rd July, 2003. Mr. Ng Kay Kwok (“Mr. Ng”) and Mr. Shum Sai (“Mr. Shum”) are appointed as executive director and authorized representative of the Company on 23rd July, 2003 under a board resolution passed by Mr. Yick and Mr. Liu.

Mr. Ng is also appointed as the company secretary and qualified accountant of the Company on 23rd July, 2003 under another board resolution passed by Mr. Yick and Mr. Liu.

Mr. Shum is also appointed as the compliance officer of the Company by the newly appointed executive directors on 1st August, 2003.

The newly appointed directors of the Company still needs time to access the impact to the Company’s operation regarding the change of management. They are not aware any change in substantial shareholding of the Company.

The Company would like to inform the Shareholders and investors that pursuant to a notice dated 19th May, 2003, the Securities and Futures Commission is conducting an inquiry into certain matters of the Group under section 179 of the Securities and Futures Ordinance.

The suspension of trading of the Company's shares will remain until further announcement to be issued by the Company to clarify the operations of the Company.

Riverhill Holdings Limited ("the Company") wishes to announce that Mr. Yick Chong San ("Mr. Yick") has resigned as executive director, authorized representative, qualified accountant and company secretary of the Company, Mr. Liu Hao ("Mr. Liu") has resigned as executive director, authorized representative and compliance officer of the Company, and Mr. Wang Guo Wei (Mr. Wang) has resigned as executive director of the Company with effect from 23rd July, 2003. Mr. Ng Kay Kwok ("Mr. Ng") and Mr. Shum Sai ("Mr. Shum") are appointed as executive director and authorized representative of the Company on 23rd July, 2003 under a board resolution passed by Mr. Yick and Mr. Liu. Both Mr. Ng and Mr. Shum were invited by Mr. Yick to be the directors of the Company.

According to their resignation letters both Mr. Liu and Mr. Wang resigned as they have been busy in operations of the Group ("the Company together with its subsidiaries") in PRC so they had no time to come to Hong Kong to look after the matters of the Company. They also claimed they are not familiar with the laws and business environment in Hong Kong. Mr. Yick gave health reason about his resignation in his resignation letter.

Mr. Liu and Mr. Wang are still directors of the PRC subsidiaries of the Company and at present they have no indication to resign from such directorship. The Group has owed salaries to them but it was subsequently paid off upon their resignation. Mr. Liu was paid HK\$138,330 and Mr. Wang was paid HK\$82,960 at the end of July, 2003. These amounts represent outstanding salaries and severance payment given to them. Details of the calculation is being checked by the new management. The Company has not received any claim on outstanding salary from Mr. Yick. According to their service contracts all the ex-directors of the Company should serve three months of notice for their resignation or to pay in lieu of notice. The new management will look closely in this matter to check if there is any over payments to the ex-directors or recoverable amounts from them.

Mr. Ng is also appointed as the company secretary and qualified accountant of the Company on 23rd July, 2003 under another board resolution passed by Mr. Yick and Mr. Liu. Mr. Ng is an associate member of CPA, Australia. He has about twelve years experience in audit and accounting and management. He has worked as an auditor in an international audit firm, and has held senior accounting positions in listed companies. Before joining the Company, Mr. Ng was the financial controller and company secretary of a company listed on the main board of The Hong Kong Stock Exchange.

Mr. Shum is a professional electronic engineer who has engaged in the electronic industry for more than fifteen years. He has worked as a tutor in an Vocational Training Centre for five years and then worked as a chief engineer for about ten years responsible for OEM business development. Since July 2001 Mr. Shum has been employed by the Company as full time assistant to Professor Mr. He Xiao Feng "Professor He", the former Chairman of the Company who stepped down and became the Honorary Chairman of the Company in Oct. 2002. He helped Professor He in project development of the Company and liaison with other parties and is still doing the same after Professor He stepped down. With his background and experience Mr. Shum is able to advise the Company from technical point of view.

Mr. Shum is also appointed as the compliance officer of the Company by the newly appointed executive directors on 1st August, 2003.

The newly appointed directors of the Company still needs time to access the impact to the Company's operation regarding the change of management. They are not aware any change in substantial shareholding of the Company.

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Regarding the loan of amount HK\$10 million made to Well Pacific Investments Limited by the Group, the new management will act with caution and will take any necessary procedures including legal action against relevant parties should it be appropriate to preserve the best interest of the Company. For more information of the incident please refer to the announcements of the Company made on 4 and 12th March, 2003.

The Company has about HK\$500 thousand in cash subject to confirmation of bank statements and the new management will try effort to save cost.

The suspension of trading of the Company's shares will remain until further announcement to be issued by the Company to clarify the operations of the Company.

For and
On behalf of
Riverhill Holdings Limited
Ng Kay Kwok
Company Secretary

Hong Kong, 12th August, 2003

This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days form the day of its posting.

* *for identification purpose only*