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SOLOMON SYSTECH (INTERNATIONAL) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2878)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of Directors (the "Board") of Solomon Systech (International) Limited (the "Company", together with its subsidiaries shall collectively be referred to as the "Group") wishes to advise the shareholders of the Company and investors that based on its unaudited management accounts, the Group's results for the year ending 31 December 2011 will be substantially lower than that for the corresponding period in 2010, and a net loss is expected.

The Board considers that the anticipated incurrence of consolidated net loss of the Group for the year ending 31 December 2011 was, among other things, primarily attributable to: (1) lower than expected sales; (2) later than anticipated start of new products for volume sales; and (3) possible incurrence of fair value unrealized loss in the Group's financial asset investments.

The Group had sequential sales decline with lower unit shipment in 2011. Cautious outlook for economic growth increased among customers with the lingering US high unemployment rate and European sovereign debt crisis. The Group sales experienced weaker than normal seasonal demand in the second half of 2011 as customers extended this cautious outlook beyond 2011. Sales of the Group's new products was also adversely affected by the cautious outlook which translated into customer driven schedule delays and quantity reduction. Unlike the second half of 2010 when the Group managed to rebound from loss reported in the 2010 interim results, the Group in the second half of 2011 was unable to gather sufficient sales momentum and rebound from its net loss reported in the Group's 2011 interim results.

The Board considers that the overall operations of the Group as a whole remain sound and intact, and the financial position of the Group remains solid. For more details, investors should read the announcement for the Group's annual results for the year ending 31 December 2011, which is expected to be published before the end of March 2012.

Shareholders of the Company and investors are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of
Solomon Systech (International) Limited
LEUNG Kwong Wai
Managing Director

Hong Kong, 14 December 2011

As at the date of this announcement, the Board comprises (a) Executive Directors - Dr. LEUNG Kwong Wai (Managing Director) and Mr. LAI Woon Ching; (b) Non-executive Directors - Dr. LAM Pak Lee (Mr. SHEU Wei Fu as his alternate), Mr. LI Xiaochun, Mr. LAI Weide and Mr. ZHAO Guiwu; and (c) Independent Non-executive Directors - Mr. SUN, Patrick (Chairman), Mr. CHOY Kwok Hung, Patrick, Mr. WONG Yuet Leung, Frankie and Mr. YIU Joseph Tin-chong.