

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SOLOMON SYSTECH (INTERNATIONAL) LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2878)

**RE-DESIGNATION OF DIRECTOR AND
APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

The board of directors (the "Board") of Solomon Systech (International) Limited (the "Company") announces the following changes with effect from 4 January 2016. Such changes are aimed at separating the roles of the Chairman and Chief Executive Officer ("CEO") of the Company, which enable the Company to re-comply with the requirements of the Corporate Governance Code as set out in the Appendix 14 of The Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Re-designation of Director from Chairman, CEO and Managing Director to Chairman

Dr. Leung Kwong Wai ("Dr. Leung"), Chairman, CEO and Managing Director of the Company, has ceased to be CEO and Managing Director but continues to be Chairman of the Board.

Dr. Leung did not hold any directorship in the companies of which the shares are listed on any securities market in Hong Kong or overseas in the last three years except in the Company.

Dr. Leung is the founder of the Company and its subsidiaries (together, the "Group"). He is acting as the Authorized Representative (pursuant to Rule 3.05 of the Listing Rules), Chairman of the Investment Committee and a member of the Nomination Committee of the Company. Dr. Leung is a director of the wholly-owned subsidiaries of the Group, namely Ample Pacific Limited, Broadwood Global Limited, Cornway International Limited, Mentor Ventures Limited, Pac-Pacific Limited, Solomon Systech Inc., Solomon Systech Limited, Solomon Systech Japan Company Limited, Solomon Systech Taiwan Limited, Systech Technology China Limited, WE3 Ventures Limited and WE3 Technology Company Limited.

Save as disclosed in this announcement, Dr. Leung does not have any relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company or hold any other positions in the Group.

Dr. Leung has an initial service contract with the Company starting from November 2003 for a period of 3 years and the same shall continue thereafter. Dr. Leung is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the articles of association of the Company.

As at the date of this announcement, Dr. Leung is taken to be interested in 123,800,308 shares / share options (approximately 5% of the Company's issued share capital) in the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO").

Dr. Leung received emoluments of approximately HK\$2,351,000 for the year ended 31 December 2015 comprising salary, 13th month bonus as well as other benefits including leave pay, insurance premium, health care subsidy, allowances and pension contribution scheme from the employment of Solomon Systech Limited (“SSL”), a major wholly-owned operating subsidiary of the Company. In addition, Dr. Leung also received 800,000 share options under the 2013 Share Option Scheme from the Company. Such emoluments are reviewed and approved by the remuneration committee under the Board of the Company (“Remuneration Committee”) with reference to market terms, his duties and responsibilities and the Group’s remuneration policy.

Saved as disclosed above, there is no information which is discloseable pursuant to any of the requirements under Rules 13.51(2) (h) to 13.51(2) (v) of the Listing Rules.

Dr. Leung has confirmed that there is no disagreement with the Board and there are no other matters relating to Dr. Leung’s re-designation from Chairman, CEO and Managing Director to Chairman that needs to be brought to the attention of the shareholders of the Company.

The biographical details of Dr. Leung is attached to this announcement for reference.

Appointment of CEO

The Board of the Company is pleased to announce that Dr. Yeh Tsuei Chi (“Dr. Yeh”) has been appointed as CEO of the Company with effect from 4 January 2016. The biographical details of Dr. Yeh is attached to this announcement for reference.

Dr. Yeh did not hold any directorship in the companies of which the shares are listed on any securities market in Hong Kong or overseas in the last three years.

Saved as disclosed in this announcement, Dr. Yeh does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company or hold any other positions in the Group.

As at the date of this announcement, Dr. Yeh does not hold any interest in the shares of the Company within the meaning of Part XV of the SFO.

Dr. Yeh has entered into an employment contract with SSL in accordance with the Hong Kong Employment Ordinance. Dr. Yeh has no fixed term of service with the Group. Dr. Yeh is entitled to receiving a remuneration of approximately HK\$3,031,000 per annum comprising basic salary, allowances (initial settlement, medical and transportation), 13th month bonus and special initial bonus. He is also entitled to further benefits including leave pay, group insurance, health care subsidy and pension contribution scheme from his employment with the Group. In addition, Dr. Yeh will be entitled to receiving 15 million share options, subject to performance and vesting terms in 2016, 2017 & 2018 under the 2013 Share Option Scheme of the Company. Dr. Yeh will also be granted shares of the Company pursuant to his performance and also subject to vesting requirements. Such emoluments have been reviewed and approved by the Remuneration Committee with reference to market terms, his duties and responsibilities and the Group’s remuneration policy.

Dr. Yeh and Huada Semiconductor Co., Ltd (“Huada”) are negotiating to enter into an acting-in-concert agreement. Huada holds 706,066,000 shares of the Company, representing approximately 28.5% of the issued share capital of the Company as at the date of this announcement. Huada is a wholly-owned subsidiary of China Electronic Corporation (“CEC”) and CEC is deemed to have an interest in approximately 28.5% of the issued share capital of the Company. Further announcement will be made by the Company as and when appropriate in accordance with the Listing Rules.

Save as disclosed above, there is no other information which is discloseable pursuant to any of the requirements under Rules 13.51(2) (h) to 13.51(2) (v) of the Listing Rules, and there are no other matters relating to the appointment of Dr. Yeh that need to be brought to the attention of the shareholders of the Company.

The Board would like to welcome Dr. Yeh for joining the Group as a member of the senior management.

The Board would also like to take this opportunity to acknowledge the past contributions of Dr. Leung in his previous position as CEO and Managing Director of the Company.

For and on behalf of the Board
SOLOMON SYSTECH (INTERNATIONAL) LIMITED
Leung Kwong Wai
Chairman

Hong Kong, 5 January 2016

As at the date of this announcement, the Board comprises: (a) Executive Directors – Dr. Leung Kwong Wai (Chairman) and Mr. Cheung Wai Kuen, Kenny; (b) Non-executive Directors – Dr. Li Jun, Mr. Li Rongxin and Mr. Zhao Guiwu; and (c) Independent Non-executive Directors – Mr. Leung Heung Ying, Mr. Sheu Wei Fu and Mr. Yiu Tin Chong, Joseph.

Biographical details of Dr. Leung Kwong Wai

Dr. LEUNG Kwong Wai, JP, aged 59

Skills, experience and awards:

- Over 30 years' experience in the semiconductor industry
- Conferred Fellowship by The Hong Kong Polytechnic University ("PolyU") in 2015.
- Appointed Justice of the Peace ("JP") by the Chief Executive of the HKSAR in 2013.
- Conferred Honorary Fellowship by The Hong Kong University of Science and Technology in 2007.
- Received Outstanding Achievement Award from China Semiconductor Industry Association in 2004.
- Received Outstanding Polytechnic University Alumni Award in 2003.
- Received Young Industrialist Awards of Hongkong in 2001.
- Received Doctor of Business Administration degree from PolyU.
- Received Master of Science degree in Engineering from The University of Hong Kong.
- Graduated from The Hong Kong Polytechnic (now "PolyU") and was awarded Associateship in Electronic Engineering.

Current appointments include:

- Member of the Advisory Committee of Innovation & Technology of HKSAR.
- Council member of the PolyU.
- Vice chairman of Hong Kong Electronic Industries Association.
- Vice president of Executive Council of China Semiconductor Industry Association IC Design Branch.

Former appointments include:

- CEO and Managing Director of the Company since the incorporation of the Group.
- Director of operations of Motorola Semiconductors Hong Kong Limited.
- Member of the board of directors of Nano and Advanced Materials Institute Limited.
- Member of the board of directors of Hong Kong Applied Science and Technology Research Institute Company Limited.

Biographical details of Dr. Yeh Tsuei Chi

Dr. YEH Tsuei Chi, aged 61

Skills, experience and awards:

- Over 30 years' experience in the semiconductor and electronics industry.
- Received Master of Science degree in Engineering Science in 1980 and PhD degree in Engineering Science in 1986 from the University of Mississippi, USA.
- Graduated from Taipei Institute of Technology and was awarded a diploma in Chemical Engineering.

Former appointments include:

- Adjunct Professor, Electronics Engineering Department of the National Tsing Hua University in Taiwan.
- President of Availink, Inc.
- President of Home Entertainment Business Unit, Sunplus Technology Co., Ltd. (TWSE: 2401, LSE: SUPD).
- Others: various senior management positions with startup and mature companies, including Faraday Technology Corporation, Winbond Electronics Corporation, Cheertek, Inc., etc.