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If you have sold or transferred all your shares in Solomon Systech (International) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other registered dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2878)

**GENERAL MANDATES TO REPURCHASE SHARES AND
ISSUE NEW SHARES AND
RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an Annual General Meeting of Solomon Systech (International) Limited (the "Company") to be held at 4:30 p.m. on Thursday, 3 May 2007 at 7/F, Tian & Di, The Landmark Mandarin Oriental, 15 Queen's Road Central, Central, Hong Kong is set out on pages 18 to 21 of this circular. Whether or not you are able to attend the Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held on Thursday, 3 May 2007 at 4:30 p.m. at 7/F, Tian & Di, The Landmark Mandarin Oriental, 15 Queen’s Road Central, Central, Hong Kong or any adjournment thereof, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 21 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	Solomon Systech (International) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	the Issue Mandate, Repurchase Mandate and Extension Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	28 March 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Share Award Plan”	the employee incentive plan adopted by the Company pursuant to a resolution of the Shareholders on 25 February 2004 and a resolution of the Board on 19 March 2004
“Share Option Plan”	the Share Option Scheme adopted by the Company pursuant to a resolution passed by the Shareholders passed on 25 February 2004 and a resolution of the Board on 19 March 2004
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong, as amended from time to time



**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

(Incorporated in the Cayman Islands with limited liability)

Directors:

Leung Kwong Wai (*Managing Director*)
Huang Hsing Hua
Lai Woon Ching
Lam Shun Fu
Lo Wai Ming
Lam Pak Lee*
Chang Ching Yi, Steven*
Sun, Patrick** (*Chairman*)
Choy Kwok Hung, Patrick**
Kao Kuen, Charles**
Wong Yuet Leung, Frankie**

* *Non-Executive Directors*

** *Independent Non-Executive Directors*

Registered office:

P.O. Box
309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands

*Principal place of business
in Hong Kong:*

6/F, No.3
Science Park East Avenue
Hong Kong Science Park
Shatin
New Territories
Hong Kong

30 March 2007

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES AND
ISSUE NEW SHARES AND
RE-ELECTION OF THE RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

I. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the General Mandate resolutions to be proposed at the Annual General Meeting relating to (i) the approval of the granting of general mandates to repurchase the Company's own fully-paid up Shares and to issue and allot new Shares up to the number of shares repurchased; and (ii) the re-election of the retiring directors.

LETTER FROM THE BOARD OF DIRECTORS

II. GENERAL MANDATES TO REPURCHASE SHARES AND ISSUE NEW SHARES

1. Buyback and Issuance Mandates

At the last Annual General Meeting of the Company held on 27 April 2006, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares of the Company and to issue new Shares of the Company respectively. Such mandates will lapse at the conclusion of the Annual General Meeting and therefore, ordinary resolutions will be proposed at the Annual General Meeting to approve the grant of new general mandates to the Directors as follows:

- (a) to purchase Shares of the Company on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of passing such resolution at the Annual General Meeting (the “Buyback Mandate”);
- (b) to allot, issue or deal with Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing such resolution at the Annual General Meeting (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in Ordinary Resolution No. 5 set out in the notice of the Annual General Meeting.

Shareholders should refer to the Explanatory Statement contained in Appendix A of this circular which sets out further information in relation to the proposed Buyback Mandate.

III. RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Articles 95 and 112 of the Articles of Association, Mr Leung Kwong Wai (*Managing Director*), Mr Lam Shun Fu, Mr Sun Patrick (*Chairman of the Board*), Mr Choy Kwok Hung, Patrick and Professor Kao Kuen, Charles, directors of the Company, will retire by rotation at the forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix C to this circular.

IV. ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 18 to 21 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Issuance Mandate, the Buyback Mandate and the mandate to issue and allot new Shares up to the number of Shares repurchased pursuant to the Buyback Mandate and the re-election of the retiring Directors.

LETTER FROM THE BOARD OF DIRECTORS

The procedure by which Shareholders of the Company may demand a poll at a general meeting of the Company is set out in Appendix B of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjourned meeting thereof should you so wish.

V. RECOMMENDATIONS

The Directors are of the opinion that the grant of the Buyback Mandate, the Issuance Mandate, the mandates to issue and allot new Shares up to the number of Shares repurchased pursuant to the Buyback Mandate, and the re-election of the retiring directors are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend all Shareholders to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting on the terms set out in the notice of that meeting.

VI. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendix A (Explanatory Statement on the Buyback Mandate), Appendix B (Procedures by which Shareholders may demand a poll at a general meeting pursuant to the Articles of Association) and Appendix C (Details of the retiring Directors proposed to be re-elected at Annual General Meeting) to this circular.

Yours faithfully,
For and on behalf of
Solomon Systech (International) Limited
Leung Kwong Wai
Managing Director

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Buyback Mandate to be proposed at the Annual General Meeting.

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Share Capital

As at the Latest Practicable Date, the issued share capital of the Company was HK\$249,765,435.10 comprising 2,497,654,351 shares of HK\$0.10 each. Subject to the passing of ordinary resolution No. 5 set out in the notice of the Annual General Meeting and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting. Exercise in full of the Buyback Mandate could accordingly result in up to 249,765,435 fully paid up Shares being repurchased by the Company during the period in which the Buyback Mandate remains in force.

(b) Reasons for share buyback

The Directors believe that the proposed Buyback Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value and/or earnings per share of the Company. The Directors are seeking the grant of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

(c) Funding of Repurchases

Repurchases must be financed out of funds which are legally available for such purpose in accordance with the Memorandum and Articles of Association of the Company, the Listing Rules, the applicable laws of the Cayman Islands and any other applicable laws. The Company intends to use profits or distributable reserves of the Company, which will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the most recent published 2006 audited financial statements) in the event that share repurchases pursuant to the Buyback Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level of the Company unless the Directors consider that such purchases are in the best interests of the Company.

(d) Market Price of Shares

The highest and lowest prices at which Shares of the Company have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Shares Prices	
	(per share)	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2006		
March	3.900	3.525
April	3.875	3.000
May	3.650	2.425
June	2.600	1.730
July	2.275	1.860
August	2.270	1.520
September	1.690	1.340
October	1.570	1.250
November	1.420	1.200
December	1.330	1.180
2007		
January	1.790	1.190
February	1.720	1.360
1 March to 28 March 2007	1.540	1.250

(e) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the Buyback Mandate is approved by the Shareholders.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the Buyback Mandate in accordance with the Listing Rules, the Articles of the Company and the applicable laws of the Cayman Islands.

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of The Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following substantial shareholders as defined in the Listing Rules have or are taken to have interests under the SFO representing such percentages as set out respectively in the third and fourth columns of the following table:

Name of Substantial shareholders	No. of Shares interested	Percentage of Shareholding in the Company	
		At present	If power is exercised in full to repurchase shares
TIAA-CREF Investment Management, LLC	197,989,193	7.93%	8.81%
Government of Singapore Investment Corporation Pte Ltd	148,706,800	5.95%	6.62%
Morgan Stanley Investment Management Limited	167,766,500	6.72%	7.46%
Leung Kwong Wai	125,170,001	5.01%	5.57%
State Street Corporation	248,550,597	9.95%	11.06%

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares of the Company in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, the interests of the above substantial shareholders would be increased to such percentages of the issued share capital of the Company as set out in the fourth column of the above table. The Directors will not make repurchase of Shares if the result of the repurchase would be that less than 25% of the issued share capital of the Company would be in public hands. The Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Buyback Mandate.

The Company has repurchased a total of 13,500,000 shares of the Company on the Stock Exchange during the eight months preceding the Latest Practicable Date, details of which are as follows:

Date of Repurchase	Number of Shares repurchased	Price for the Repurchased Shares	
		Highest (HK\$)	Lowest (HK\$)
4 August 2006	1,000,000	1.70	—
7 August 2006	1,000,000	1.59	—
15 September 2006	1,000,000	1.49	—
25 September 2006	500,000	1.36	—
26 September 2006	500,000	1.36	—
27 September 2006	500,000	1.35	—
8 December 2006	1,500,000	1.20	1.19
28 December 2006	2,500,000	1.20	—
28 March 2007	5,000,000	1.29	1.27
Total:	<u>13,500,000</u>		

APPENDIX B PROCEDURES BY WHICH SHAREHOLDERS MAY DEMAND A POLL AT A GENERAL MEETING PURSUANT TO THE ARTICLES OF ASSOCIATION

According to the Company's Articles of Association, at any general meeting a resolution put to the vote of a meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Stock Exchange (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least five members present in person or by proxy and entitled to vote; or
- (c) any member or members present in person or in the case of a corporation, by its duly authorised representative or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
- (d) any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Stated below are the details of the following directors who will retire and be eligible for re-election at the Annual General Meeting according to the Articles of Association of the Company:

(1) **Mr. Leung Kwong Wai, aged 50, a Managing Director (“Mr Leung”)**

(i) *Positions held with other members of the Company’s group*

Mr Leung is acting as a Managing Director of the Company since November 2003

He is the founder of the Group and serves as the Group’s Chief Executive Officer. He is the Managing Director of Solomon Systech Limited which is a directly held subsidiary of the Company and the major operating company within the Group. He is director of Ample Pacific Limited, Cornway International Limited, Pac-Pacific Limited, Mentor Ventures Limited, In Achieve Limited, Systech Technology China Limited, Solomon Systech Inc, Solomon Systech Japan Company Limited, Solomon Systech Pte. Ltd., Solomon Systech Taiwan Limited, WE3 Technology Co. Ltd, EPD Technology Ltd and Cardio Investment Limited respectively. None of these companies (except for the Company) with Mr Leung as director is a listed company.

(ii) *Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications*

Mr Leung is a member and a fellow member of Hong Kong Institute of Engineers since 1989 and 2006 respectively. He is respectively an awardee member and member of both Hong Kong Young Industrialists Council and Institution of Electrical Engineers (UK) since 2001 and 1988.

Mr. Leung is currently a director of the Hong Kong Applied Science and Technology Research Institute Company Limited, an Executive Committee member of the Hong Kong Young Industrialists Council, a director of the Hong Kong Chapter of the Society for Information Display and an Advisory Committee member of School of Engineering Advisory Committee of the Hong Kong University of Science & Technology.

He is the Vice Chairman of the Hong Kong Electronics Industry Council as well as a member of the Executive Committee for the Federation of Hong Kong Industries.

Mr. Leung is also Vice Chairman, Vice President of the HK Semiconductor Industry Council, Co-Chairman of the Technology & Applications Sub-Committee respectively of the Hong Kong Electronic Industries Association.

Furthermore, he is a member of Electronics/ Electrical Appliances Advisory Committee and also Advisory Committee member on the Promotion of Innovation and Technology through Hong Kong Platform respectively of the Hong Kong Trade Development Council.

Mr Leung did not hold any directorship in the companies which shares are listed on the Stock Exchange of Hong Kong in the last three years saved as disclosed above.

(iii) *Length or proposed length of services with the Company*

Mr Leung has a service contract with the Company starting from 21 November 2003 for a period of 3 years and the same shall continue thereafter.

(iv) *Relationships with any directors, senior management or substantial or controlling shareholders of the Company*

Mr. Leung has no relationships with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

(v) *Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance*

As at the Latest Practicable Date, Mr Leung is taken to be interested in 120,470,001 shares and 4,700,000 share options (totalling 5.01%) in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

(vi) *Director's emoluments and the basis of determining the director's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director has or does not have a service contract) and how much of these emoluments are covered by a service contract*

Mr. Leung received emoluments of US\$489,000 equivalent for the year ended 31 December 2006 comprising salary, discretionary bonus which is subject to the Group's profit, 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. In addition, Mr. Leung also received 2,690,000 shares under the Share Award Plan with a 2-year vesting term and 500,000 share options under the Share Option Plan from the Company in 2006. Such emoluments are reviewed and approved by the Remuneration Committee with reference to market terms, his duties and responsibilities and the Group's remuneration policy. Only the basic payment, 13th month bonus and the children education allowance are covered by the employment contract.

(vii) *Disclosure requirements under rules 13.51(2) of the Listing Rules*

There is no information which is discloseable nor is/was Mr Leung involved in any of the matters required to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(viii) There are no other matters that need to be brought to the attention of the Shareholders.

(2) **Lam Shun Fu, aged 51, an executive Director (“Mr Lam”)**

(i) *Positions held with other members of the Company’s group*

Mr Lam is acting as an Executive Director of the Company since October 2006. He was a Vice President of Solomon Systech Limited which is a directly held subsidiary of the Company and the major operating company within the Group, since 3 July 2006 and was retitled as President of Solomon Systech Limited with effect from 1 February 2007.

(ii) *Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications*

Mr Lam graduated from electronics engineering in Hong Kong Polytechnic University and also holds a Master degree in Manufacturing Engineering. He has over 29 years of working experience in the electronics industry responsible for managing manufacturing and business operations in both Asia and US. Prior to joining the Group, he worked in Motorola (China) Electronics Limited as Vice President and General Manager of Motorola Energy System Group and Motorola Automotive Electronics Group respectively for Asia Pacific Region. Mr Lam has not acted as director in any other listed public company in the last 3 years.

(iii) *Length or proposed length of service with the Company*

Mr Lam has an employment contract with Solomon Systech Limited since 3 July 2006 and a service contract starting from 23 October 2006 for a period of 3 years with the Company.

(iv) *Relationships with any directors, senior management or substantial or controlling shareholders of the Company*

Mr Lam has no relationships with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

(v) *Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance*

As at the Latest Practicable Date, Mr Lam is taken to be interested in 1,300,000 shares and 1,500,000 share options (totalling 0.11%) in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

(vi) *Director's emoluments and the basis of determining the director's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director has or does not have a service contract) and how much of these emoluments are covered by a service contract*

Mr Lam is entitled to an annual emoluments approximately US\$176,000 plus discretionary bonus and share award from the employment of Solomon Systech Limited. For the year ended 31 December 2006, Mr. Lam received emoluments of US\$125,000 equivalent comprising salary, discretionary bonus which is subject to the Group's profit, 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. In addition, Mr. Lam also received 1,300,000 shares under the Share Award Plan with a 2-year vesting term from the Company in 2006. Such emoluments are reviewed and approved by the Remuneration Committee with reference to market terms, his duties and responsibilities and the Group's remuneration policy. Only the basic payment and 13th month bonus are covered by the employment contract.

(vii) *Disclosure requirements under rules 13.51(2) of the Listing Rules*

There is no information which is discloseable nor is/was Mr Lam involved in any of the matters required to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(viii) There are no other matters that need to be brought to the attention of the Shareholders.

(3) Sun Patrick, aged 48, an Independent Non-executive Director ("Mr. Sun")

(i) *Positions held with other members of the Company's group*

Mr Sun is acting as an Independent Non-executive Director of the Company since February 2004. He is a Chairman of the Board effective from January 2007 and a member of Audit Committee. He is also a Chairman and member of Company's Nomination Committee and Remuneration Committee respectively.

(ii) *Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications*

Mr Sun is a graduate of the Wharton School, University of Pennsylvania and is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Sun was formerly the Senior Country Officer of JPMorgan Chase in Hong Kong, the Deputy Convenor of the Listing Committee and a member of the Council of the Stock Exchange of Hong Kong Limited, and the Honorary Chief Executive of the Chamber of Hong Kong Listed Companies.

Mr Sun was an Executive Director of SW Kingsway Capital Holdings Limited (Stock Code: 0188) until 31 May 2006. Mr Sun is currently an Independent Non-executive Director of The Link Real Estate Investment Trust (Stock Code: 0823) and also an Executive Director and Chief Executive Officer of Value Convergence Holdings Limited (Stock Code: 8101).

(iii) *Length or proposed length of service with the Company*

Mr Sun has a service contract with the Company starting from 1 July 2006 to 30 June 2008 for a period of 2 years.

(iv) *Relationships with any directors, senior management or substantial or controlling shareholders of the Company*

Mr Sun has no relationships with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

(v) *Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance*

As at the Latest Practicable Date, Mr Sun is taken to be interested in 1,300,000 share options (0.05%) in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

(vi) *Director's emoluments and the basis of determining the director's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director has or does not have a service contract) and how much of these emoluments are covered by a service contract*

Mr Sun is entitled to US\$17,000 basic fee per annum plus other fees as members of committees and attendance to the Company's Board/Committees' meetings. For the year 2006, Mr Sun received emoluments of US\$27,000 equivalent and also 500,000 share options under the Share Option Plan of the Company. Such emoluments are reviewed and approved by the Executive Directors with reference to market terms, his duties and responsibilities, the Group's remuneration policy and the Company's Articles of Association.

(vii) *Disclosure requirements under rules 13.51(2) of the Listing Rules*

There is no information which is discloseable nor is/was Mr Sun involved in any of the matters required to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(viii) *There are no other matters that need to be brought to the attention of the Shareholders.*

(4) **Choy Kwok Hung, Patrick, aged 64, an Independent Non-executive Director (“Mr Choy”)**

(i) *Positions held with other members of the Company’s group*

Mr Choy is acting as an Independent Non-executive Director of the Company since February 2004. He is also a member of both Audit Committee and Remuneration Committee of the Company.

(ii) *Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications*

Mr Choy is currently the Founder and Chairman of Global Strategy Group, an Independent Non-executive Director of Evergro Properties Limited which shares are listed on the Singapore Exchange (D09.SI), the Trustee and Board member of Majulah Connection Limited, a Corporate Advisor to Keppel Corporation Limited and a Senior Advisor to Motorola Inc.. Mr Choy is also a member of the Chinese People’s Political Consultative Conference (CPPCC) National Committee for a five-year term (2003 — 2008) and is also a Standing Committee member of Tianjin CPPCC. Mr Choy did not hold any directorship in the companies which shares are listed on the Stock Exchange of Hong Kong in the last three years saved as disclosed above.

(iii) *Length or proposed length of service with the Company*

Mr Choy has a service contract with the Company starting from 1 July 2006 to 30 June 2008 for a period of 2 years.

(iv) *Relationships with any directors, senior management or substantial or controlling shareholders of the Company*

Mr Choy has no relationships with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

(v) *Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance*

As at the Latest Practicable Date, Mr Choy is taken to be interested in 1,100,000 shares and 1,000,000 share options (totalling 0.08%) in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

- (vi) *Director's emoluments and the basis of determining the director's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director has or does not have a service contract) and how much of these emoluments are covered by a service contract*

Mr. Choy is entitled to US\$17,000 basic fee per annum plus other fees as members of committees and attendance to the Company's Board/Committees' meetings. For the year 2006, Mr. Choy received emoluments of US\$27,000 equivalent and also 500,000 share options under the Share Option Plan of the Company. Such emoluments are reviewed and approved by the Executive Directors with reference to market terms, the Group's remuneration policy and the Company's Articles of Association.

- (vii) *Disclosure requirements under rule 13.51(2) of the Listing Rules*

There is no information which is discloseable nor is/was Mr Choy involved in any of the matters required to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

- (viii) There are no other matters that need to be brought to the attention of the Shareholders.

(5) **Kao Kuen, Charles, aged 73, an Independent Non-executive Director (“Professor Kao”)**

- (i) *Positions held with other members of the Company's group*

Professor Kao is acting as an Independent Non-executive Director of the Company since March 2004. He did not hold any position in the Company's Audit Committee, Remuneration Committee as well as Nomination Committee.

- (ii) *Previous experience including other directorships held in listed public companies in the last three years and other major appointments and qualifications*

Known as “the father of fiber optics”, Professor Kao enjoys international recognition for pioneering the use of fiber optics in telecommunications. He has received numerous awards including the Draper Prize and the Japan Prize, the country's equivalent of the Nobel. He was also awarded a Marconi International Fellowship by the United Nations and received the Alexander Graham Bell Medal from the U.S. Institute of Electrical and Electronics Engineers. Professor Kao was previously Chairman of the Energy Advisory Committee of Hong Kong and the Vice-Chancellor (President) of The Chinese University of Hong Kong.

Professor Kao was an Independent Non-executive Director of SUNeVision Holdings Ltd. (Stock Code: 8008) until 1 January 2007 and he is currently an Independent Non-executive Director of Next Media Limited (Stock Code: 0282).

(iii) *Length or proposed length of service with the Company*

Professor Kao has a service contract with the Company starting from 1 July 2006 to 30 June 2008 for a period of 2 years.

(iv) *Relationships with any directors, senior management or substantial or controlling shareholders of the Company*

Professor Kao has no relationships with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

(v) *Interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance*

As at the Latest Practicable Date, Professor Kao is taken to be interested in 500,000 shares and 1,000,000 share options (totalling 0.06%) in the Company within the meaning of Part XV of the Securities and Futures Ordinance.

(vi) *Director's emoluments and the basis of determining the director's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director has or does not have a service contract) and how much of these emoluments are covered by a service contract*

Professor Kao is entitled to US\$17,000 basic fee per annum plus other fees as members of committees and attendance to the Company's Board/Committees' meetings. For the year 2006, Professor Kao received emoluments of US\$22,000 equivalent and also 500,000 share options under the Share Option Plan of the Company. Such emoluments are reviewed and approved by the Executive Directors with reference to market terms, the Group's remuneration policy and the Company's Articles of Association.

(vii) *Disclosure requirements under rule 13.51(2) of the Listing Rules*

There is no information which is discloseable nor is/was Professor Kao involved in any of the matters required to be disclosed pursuant to any of the requirements set out in Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(viii) There are no other matters that need to be brought to the attention of the Shareholders.



**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2878)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Solomon Systech (International) Limited will be held at 4:30 p.m. on Thursday, 3 May 2007 at 7/F, Tian & Di, The Landmark Mandarin Oriental, 15 Queen's Road Central, Central, Hong Kong for the following purposes:

- (1) To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors for the year ended 31 December 2006.
- (2) To declare a final dividend for the year ended 31 December 2006.
- (3) To re-elect Directors and to authorise the Board of Directors to fix the Directors' remuneration.
- (4) To consider the appointment of Auditors and to authorise the Board of Directors to fix their remuneration.
- (5) To consider as special business and, if thought fit, pass the following resolution as an Ordinary Resolution:
 - (A) **“THAT:**
 - (a) Subject to paragraphs (b) and (c) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Stock Exchange or any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall, in addition to any other authorisation given to the Directors, authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its own shares at a price to be determined by the Directors;

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(c) the aggregate nominal amount of the issued shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or its articles of association to be held; or
- (iii) the revocation or variation of the authority granted under this resolution by an ordinary resolution of the shareholders of the Company in general meetings.”

(B) **“THAT:**

(a) subject to paragraphs (b) and (c) below and without prejudice to the resolution numbered 5(C) set out in the notice of this Meeting, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined in resolution numbered 5(A)(d) set out in the notice of this Meeting) of all the powers of the Company to allot, issue and deal with shares in the capital of the Company or securities convertible into shares or options, warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall, in addition to any other authorisation given to the Directors, authorise the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants or similar rights to subscribe for any shares in the Company) which might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate nominal amount of securities allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the approval given in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of the rights of subscription or conversion under the terms of any securities or bonds which are convertible into any shares in the capital of the Company; (iii) any options

NOTICE OF ANNUAL GENERAL MEETING

granted or issue of shares under any share option scheme or similar arrangement for the time being adopted by the Company, or (iv) any scrip dividend schemes or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution: “Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the Register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”
- (C) “**THAT** conditional upon the passing of the resolutions numbered 5(A) and 5(B) set out in the notice of this Meeting, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said resolution numbered 5(A) shall be added to the aggregate nominal amount of the shares in the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally by the directors of the Company pursuant to and in accordance with the said resolution numbered 5(B).”

On behalf of the Board
Leung Kwong Wai
Managing Director

As at the date of this circular, the Board comprises (a) Executive Directors - Mr Leung Kwong Wai (Managing Director), Mr Huang Hsing Hua, Mr Lai Woon Ching, Mr Lam Shun Fu and Mr Lo Wai Ming (b) Non-Executive Directors - Mr Lam Pak Lee and Mr Chang Ching Yi, Steven (c) Independent Non-Executive Directors - Mr Sun, Patrick (Chairman), Mr Choy Kwok Hung, Patrick, Professor Kao Kuen, Charles and Mr Wong Yuet Leung, Frankie.

Hong Kong, 30 March 2007

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) The Register of Members of the Company will be closed from Friday, 27 April 2007 to Thursday, 3 May 2007 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the above meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 26 April 2007.
- (b) A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to represent him on his behalf. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (c) In order to be valid, a form of proxy, together with any power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority or other authority, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjourned meeting (as the case may be).
- (d) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form is also published on the website of the Stock Exchange (www.hkex.com.hk).