SOLOMON SYSTECH (INTERNATIONAL) LIMITED
(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2878)

ANNOUNCEMENT OF 2007 FINAL RESULTS

FINANCIAL HIGHLIGHTS

- Sales amounted to US$165 million
- Net profit was US$10 million
- Basic earnings per share was 0.42 US cent (3.3 HK cents)
- The Board proposed a final dividend per share of 2 HK cents (0.26 US cent)
- Total dividends per share of the year totaled 3 HK cents (0.39 US cent)
- Book to bill ratio for the year ended 31 December 2007 was 0.64

FINAL RESULTS

The directors (the "Directors") of Solomon Systech (International) Limited (the "Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2007 together with the comparative figures for the corresponding year as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2007

	Notes	**2007**	2006
		US$'000	US$'000
Sales	2	**164,952**	254,092
Cost of sales		**(125,497)**	(194,823)
Gross profit		**39,455**	59,269
Other income		**1,008**	787
Other loss - net		**(227)**	-
Research and development costs		**(19,688)**	(17,373)
Selling and distribution expenses		**(3,308)**	(4,128)
Administrative expenses		**(11,479)**	(14,322)
Other operating expenses		**(28)**	(1,265)
Operating profit		**5,733**	22,968
Interest income		**7,963**	6,290
Finance costs		**(1)**	(1)
Share of results of associated companies		**(754)**	(662)
Profit before taxation		**12,941**	28,595
Taxation	4	**(2,752)**	(6,177)
Profit for the year		**10,189**	22,418
Attributable to:			
Equity holders of the Company		**10,208**	22,418
Minority interest		**(19)**	-
		10,189	22,418
Dividends	5	**9,438**	19,269
Earnings per share for profit attributable to the equity holders of the Company (expressed in US cents per share)	6		
Basic		**0.42**	0.91
Diluted		**0.41**	0.90

CONSOLIDATED BALANCE SHEET
As at 31 December 2007

	Notes	**2007**	2006
		US$'000	US$'000
ASSETS			
Non-current assets			
Goodwill		**931**	-
Property, plant and equipment		**8,885**	13,785
Investments in associated companies		**2,031**	3,185
Available-for-sale financial assets		**4,686**	2,535
Fixed bank deposits		**-**	2,000
		16,533	21,505
Current assets			
Inventories		**15,291**	18,253
Trade and other receivables	7	**29,365**	61,688
Financial assets at fair value through profit or loss		**3,234**	-
Other financial assets		**3,749**	1,000
Pledged bank deposits		**130**	130
Short-term fixed deposits		**10,000**	8,083
Cash and cash equivalents		**124,069**	110,422
		185,838	199,576
Total assets		**202,371**	221,081
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		**31,516**	32,251
Reserves			
Proposed final dividend		**6,256**	12,869
Own shares held		**(963)**	(491)
Others		**135,082**	135,254
		171,891	179,883
Minority interest		**219**	-
		172,110	179,883

	Notes	**2007**	2006
		US$'000	US$'000
LIABILITIES			
Non-current liabilities			
Obligations under finance leases		**9**	19
Deferred tax liabilities		**221**	827
		230	846
Current liabilities			
Trade and other payables	8	**26,554**	38,527
Tax payables		**3,343**	1,815
Derivative financial instruments		**124**	-
Obligations under finance leases		**10**	10
		30,031	40,352
Total liabilities		**30,261**	41,198
Total equity and liabilities		**202,371**	221,081
Net current assets		**155,807**	159,224
Total assets less current liabilities		**172,340**	180,729

Notes:

1. Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

(a) In 2007, the Group has applied the following new standard, amendment and interpretations ("new HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to the Group's operations and effective for the Group's financial year beginning on or after 1 January 2007.

- HKAS 1 (Amendment) Presentation of Financial Statements - Capital Disclosures
- HKFRS 7 Financial Instruments: Disclosures
- HK(IFRIC) – Int 8 Scope of HKFRS 2
- HK(IFRIC) – Int 9 Reassessment of Embedded Derivatives
- HK(IFRIC) – Int 10 Interim Financial Reporting and Impairment

The adoption of the new HKFRSs did not result in substantial changes to the accounting policies of the Group and had no material effect on how the results and financial position for the current or prior accounting years have been prepared and presented.

(b) The Group has not early applied the following new and revised standards or interpretations that are relevant to the Group's operations and have been issued but not yet effective.

- HKAS 1 (Revised) Presentation of Financial Statements
- HKFRS 8 Operating Segments
- HKAS 23 (Revised) Borrowing costs
- HK(IFRIC) – Int 11 HKFRS 2: Group and Treasury Share Transactions

The Directors of the Company anticipate that the application of these standards or interpretations will not result in substantial changes to the accounting policies of the Group and will have no material impact on the results and financial position of the Group.

2. Sales and segment information

(a) Primary reporting format – business segment

During the year, the Group is principally engaged in the design, development and sales of proprietary integrated circuits ("IC") and system solutions that enable a wide range of display applications for mobile phones, portable devices, LCD TVs and other innovative consumer electronics products.

The Group has been operating in one single business segment, i.e. the design, development and sales of ICs and system solutions. Sales amounted to US$164,952,000 and US$254,092,000 for the years ended 31 December 2007 and 2006 respectively.

(b) Secondary reporting format – geographical segments

The Group mainly operates in Hong Kong SAR ("Hong Kong"). The Group mainly sells to customers located in Hong Kong, Taiwan and Southeast Asia.

(i) Sales

	2007	2006
	US$'000	US$'000
Hong Kong	**112,094**	182,004
Taiwan	**24,720**	24,820
Southeast Asia ("SE Asia")	**11,845**	7,874
Japan	**6,042**	21,759
Mainland China ("China")	**5,644**	10,847
Korea	**1,425**	5,832
United States of America ("U.S.A.")	**280**	609
Others	**2,902**	347
	164,952	254,092

(ii) Total assets

	2007	2006
	US$'000	US$'000
Hong Kong	**178,718**	191,613
Taiwan	**11,835**	18,434
Others	**11,818**	11,034
	202,371	221,081

(iii) Capital expenditures

	Property, plant and equipment		Investments in associated companies		Investments in available-for-sale financial assets	
	2007	2006	**2007**	2006	**2007**	2006
	US$'000	US$'000	**US$'000**	US$'000	**US$'000**	US$'000
Hong Kong	**328**	4,162	**380**	2,944	**-**	-
China	**145**	3,205	**-**	-	**-**	2,346
Taiwan	**74**	736	**-**	-	**-**	1,556
SE Asia	**370**	-	**-**	-	**-**	-
U.S.A.	**-**	-	**-**	-	**2,151**	-
Others	**3**	772	**-**	-	**-**	-
	920	8,875	**380**	2,944	**2,151**	3,902

3. Expenses by nature

Expenses included in cost of sales, research and development costs, selling and distribution expenses, administrative expenses and other operating expenses are analyzed as follows:

	2007	2006
	US$'000	US$'000
Loss on disposal of property, plant and equipment	**99**	85
Auditors' remuneration	**151**	138
Depreciation of owned property, plant and equipment	**6,225**	6,053
Depreciation of leased property, plant and equipment	**11**	17
Operating leases for land and buildings	**1,107**	794
Employee benefit expenses (excluding Directors' emoluments)	**17,514**	18,399
Directors' emoluments	**2,479**	2,991
Net exchange gain	**187**	145
Provision for impairment loss of available-for-sale financial assets	**-**	1,367
Provision for impairment of receivables	**20**	28
Provision for obsolete or slow moving inventories	**966**	2,268

4. Taxation

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2007	2006
	US$'000	US$'000
Current taxation:		
Hong Kong profits tax	**3,118**	5,654
Overseas profits tax	**51**	52
Under provisions in prior years	**189**	218
Deferred taxation	**(606)**	253
	2,752	6,177

5. Dividends

	2007	2006
	US$'000	US$'000
(a) Final dividend attributed to the year:		
2007 final dividend, proposed, of HK$0.02 (approximately 0.26 US cent) per ordinary share	**6,256**	-
2006 final dividend, paid, of HK$0.04 (approximately 0.51 US cent) per ordinary share	**-**	12,802
Less : Company's share of dividends paid on the shares held by a special purpose entity of the Group	**-**	-
	6,256	12,802
(b) Interim dividend declared and paid by the Company during the year:		
2007 interim dividend, paid, of HK$0.01 (approximately 0.13 US cent) per ordinary share	**3,182**	-
2006 interim dividend, paid, of HK$0.02 (approximately 0.26 US cent) per ordinary share	**-**	6,467
Less : Company's share of dividends paid on the shares held by a special purpose entity of the Group	**-**	(94)
	3,182	6,373
Dividend attributed to the year	**9,438**	19,269

6. Earnings per share

The calculation of basic and diluted earnings per share is based on the Group's profit attributable to equity holders of the Company of US$10,208,000 (2006: US$22,418,000).

The basic earnings per share is based on the weighted average of 2,453,274,184 (2006: 2,467,035,647) ordinary shares in issue excluding own shares held during the year.

Diluted earnings per share information is based on 2,476,967,789 (2006: 2,491,931,274) ordinary shares which is the adjusted weighted average number of ordinary shares outstanding assuming conversion of all share options outstanding but excluding unallocated own shares held during the year. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares as calculated is compared with the number of shares that would have been issued assuming the exercise of the share options.

7. Trade and other receivables

	2007	2006
	US$'000	US$'000
Trade and bills receivables	**24,843**	57,707
Less: provision for impairment of receivables	**(395)**	(61)
Trade and bills receivables - net	**24,448**	57,646
Prepayments and other receivables	**4,917**	4,042
	29,365	61,688

The Group's sales to corporate customers are mainly entered into on credit terms of 30 days. The ageing analysis of trade and bills receivables is as follows:

	2007	2006
	US$'000	US$'000
Current	**11,164**	21,507
1 - 30 days	**6,861**	20,126
31 - 60 days	**4,863**	12,445
61 - 90 days	**1,385**	2,980
91 - 180 days	**169**	523
181 - 365 days	**6**	65
	24,448	57,646

8. Trade and other payables

	2007 US$'000	2006 US$'000
Trade payables	19,708	28,672
Accrued expenses	6,846	9,855
	26,554	38,527

At 31 December 2007, the ageing analysis of trade payables is as follows:

	2007 US$'000	2006 US$'000
Current	14,708	26,910
1 - 30 days	4,709	1,532
31 - 60 days	193	50
61 - 90 days	23	7
Over 90 days	75	173
	19,708	28,672

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Overview

For the year ended 31 December 2007, the book to bill ratio stood at 0.64 (2006: 1.0). The Group encountered challenging market conditions with its driver IC shipment initially being constrained by TFT LCD panel supply shortage, and eventually experienced sluggish demand as consumer spending began to slump resulting from the US subprime mortgage issue and the China tightened credit control. Moreover, the Group was also affected by reduced business from a major customer. In the meantime, sales increase to new customers and of new businesses yet to mature was unable to offset the drop.

Sales and Profit

The Group's sales amounted to US$165 million (2006: US$254 million). The decline was mainly due to (1) average selling price erosion of 14%; (2) small-medium size TFT panel supply shortage in 2Q07 and 3Q07; (3) demand slowdown in 4Q07 at the impact of the US subprime mortgage issue and China tightened credit control; and (4) the new business of New Display and Display System Solution did not take off as quickly as the Group had expected. Gross profit at US$39.5 million was 33% lower year-on-year as a result of the lower unit shipment and average selling price. The Group's effort to lower manufacturing cost had maintained gross profit margin. The gross profit margin for the year was 23.9% (2006: 23.3%).

Total operating expenses were 7.0% lower than 2006's. R&D expenses rose 13.3% because more resources were deployed for business operation and product development. To offset this increase in R&D expenses, the Group took proactive cost control measures and reduced SG&A expenses by 19.9%. Operating profit was US$5.7 million from the lower gross profit. Interest income has become an important element of the Group's profit especially in the second half of 2007 when operating loss was incurred. Buoyed by around US$8 million of interest income, the Group's profit before tax was US$12.9 million. Net profit for the year was US$10.2 million (2006: US$22.4 million).

Liquidity and Financial Resources

Net cash flow from operations during the year was US$35 million. Total cash and bank deposits of the Group amounted to US$138 million at year-end, compared to US$122 million as at 31 December 2006. The change in cash position was mainly a result of (1) dividends paid of US$16 million; (2) fixed asset purchase of US$0.9 million; and (3) corporate strategic investment of US$2.6 million. The Group conducted eighteen share buybacks that consumed US$5.9 million and cancelled 57.4 million shares. Regarding the cash reserves, the Group will continue to invest primarily in product development, to secure production capacity, and to invest in corporate ventures while keeping a certain level of cash to meet general corporate purposes. As at 31 December 2007, the Group had no borrowings and its cash balance was mainly deposited in interest-bearing accounts.

All of the Group's trade receivables and most of its payables are quoted in US dollars. The Group closely monitors foreign exchange rates, it also constantly seeks to obtain favorable exchange rates for conversion of US dollars into other currencies for the payment of local operating expenses. During the review period, the Group did not use any derivative instruments to hedge its foreign currency exposure as it considered the exposure to be insignificant.

In light of the Group's net profit and relatively rich cash position, the Board of the Company resolved to declare a final dividend of 2 HK cents per share to shareholders whose names appear on the Register of Members of the Company on 8 May 2008. In summary, the full year dividends per share of 3 HK cents represent a payout ratio of approximately 92%, or a yield of 3% based on the average daily closing price of HK$1.02 for 2007.

Capital Expenditure and Contingent Liabilities

In 2007, the Group spent a total of US$3.5 million in capital expenditure, of which US$0.9 million belonged to fixed asset purchase and US$2.6 million belonged to strategic investment. Fixed asset purchase primarily consisted of spending on computer hardware and software, intellectual property ("IP") licenses, research and development tools, critical packaging and testing equipment. Currently, all research and development tools are located in the Group's offices while part of the production equipments are consigned to sub-contractors. As at 31 December 2007, the Group had no material capital commitments or contingent liabilities.

Business Review

Product Shipment

The Group shipped 173 million units of display IC (2006: 230 million units). The shipment of monochrome STN and color STN display ICs decreased as the mobile phone market had shifted its demand to mobile TFT display ICs. M-TFT display ICs shipment recorded a solid growth of 58% to 29.8 million units, reflecting that the design-in activities of this product family was progressively turning into mass production. The shipment of OLED display ICs showed a growth of 32% to 29.1 million units as the OLED display market partially recovered from the slide in 2006 and the display technology continued to find new applications. The Group continued to strengthen its leadership in New Display IC to achieve additional design-wins beyond the mobile phone application such as electronic shelf label. Small volumes of large display TFT driver IC were shipped as the Group continued to engage with targeted panel manufacturers. Display System ICs exceeded the milestone of one million unit shipment in 2007.

According to market surveys conducted by IDC and Strategy Analytics, global shipment of mobile phones for 2007 ranged between 1,120 and 1,140 million units. The Group believes its global market share in mobile phone display ICs was around 11%.

Units Shipped (million)	2007	2006	Change
Monochrome STN	32.2	43.3	-25.6%
Color STN	63.7	133.6	-52.3%
m-TFT	29.8	18.9	+57.7%
OLED	29.1	22.0	+32.3%
New Display Application	16.8	10.3	+63.1%
System IC	1.2	-	+%
L-TFT	0.2	0.8	-75%
Miscellaneous	0.4	0.8	-50%
Total	173.4	229.7	-24.5%

Business Relationship

The industry is going through supply chain realignment. To enhance business development and customer relationship, the Group strategically focused resources to develop key customer accounts in 2007. Each key account identified has a dedicated support team, including an account champion, technical and field application support and quality assurance personnel to ensure delivery of timely service to customers as well as open more opportunities for specific projects.

For the Display Panel business, the Group currently services most of the world's major display module makers. The Group continues to focus on approaching original design manufacturer ("ODM") and independent design house ("IDH") directly so as to forge connection with the participants in the value chain. During the year, the Group extended its relationship with leading customers from China, Japan, Korea and Taiwan, through whom it can broaden its relationship with top-tier end product manufacturers.

Regarding the Display System Solution business, the Group provides customers with total system solutions for specific high volume applications. Given this enlarged product offering, the Group broadened its customer base for emerging consumer product applications. Meanwhile, the Group's leading technology in system solutions reinforced its business relationship with existing customers and also attracted new key customers.

Research and Development

Research and development capability is one of the Group's core competencies. Continual investment in targeted areas showed the Group's determination to expand its business, capture new opportunities and stay ahead in the competition by developing and offering innovative products.

The Group spent roughly US$20 million on research and development in 2007, 13% more than the previous year. As at 31 December 2007, the Group had a research and development workforce of more than 250. Besides supplementing the Group's established IC design and engineering expertise, software and system design employees were recruited to accelerate the buildup of Display System Solution business.

In terms of wafer technology under development, the Group's products employ a range of fine technologies from 0.09μm (i.e. 90 nanometer) to 0.6μm, depending on cost performance measure against customers' specific requirements. Last but not least, the Group filed 2 patents and published 2 technical articles in 2007.

Human Resources

As at 31 December 2007, the Group had 433 employees, 10% more than the previous year. This headcount increase comprised mainly new technical staff hired for the Display Panel and Display System Solution businesses. The acquisition of a subsidiary effective 1 December 2007 resulted in 60 additional headcounts.

As a technology company, the Group highly values its human resources. To reward good performance and retain talents, the Group offers competitive remuneration to employees and provides employees with relevant trainings, career development programs, job satisfaction and a first-rate working environment in the hope that they will enjoy working for the Group and contribute their efforts to the Group's success.

In the first half of 2007, most employees were granted cash bonuses and Company's shares in recognition of their performance in 2006. On top of that, a share option award scheme was also put in place for selected employees to drive for business performance in 2007. At the Board level, directors were awarded options for their past and forthcoming contributions to the Group.

Prospect

As per the book to bill ratio of 0.64 as at 31 December 2007, the first half of 2008 should still be expected to stay challenging for the Group. To rise above the challenges, the Group will strive for progress in delivering technologically leading ICs and expanding its customer base. The Group will continue its efforts in product diversification and providing fast turnkey solutions to customers.

Display Panel

Mobile Display

Mobile phones and MP3/MP4 players are the major markets of this business unit. Key display panel technologies include m-TFT, monochrome STN, color STN and OLED. M-TFT should be the mainstream technology for the next 3-5 years especially with a pipeline of depreciated TFT panel fabs to be converted from large panel to small-medium panel manufacturing. The Group believes increase of low cost m-TFT panel supply should lead to proliferation of portable multimedia devices such as personal navigation device, digital photo frame and mobile digital TV. Besides reinforcing business ties with leading mobile phone makers, the Group aims to position better within the m-TFT module value chain and collaborate closer with portable multimedia system designers.

Monochrome STN and color STN are matured technologies that should see limited unit shipment growth beyond mobile phones designed for developing countries. The Group intends to strive for market share gain by introducing more cost competitive products. Passive Matrix OLED ("PMOLED") and Active Matrix OLED ("AMOLED") are two families of OLED technology. PMOLED is matured with the panel industry consolidated after 2006. In 2008, the Group should strengthen its leadership in PMOLED by ramping up unit shipment to all major panel makers. AMOLED is an emerging technology that should require additional efforts to reach mass market. The Group has already aligned itself with a leading AMOLED panel maker to develop lower cost solutions.

Large Display

The core competency in IC design and development has enabled the Group to develop technologically competitive ICs for large displays. The Group is making an effort to build relationships with large TFT LCD panel makers in China, Japan and Taiwan on new design-ins. It is expected that this business will take longer time to generate incremental sales to the Group.

New Display

The Group expects bistable display IC business to emerge as an important future growth catalyst with the improvement of E-paper technology. The Group was the major supplier of the bistable display IC to the world's first E-paper mobile phone in 2006. Although the unit shipment came below expectation, the Group's leadership in E-paper applications has led to other opportunities including timepieces, digital storage media, electronic shelf labels and display signage. In 2008, the Group put high priority to ramp volume shipment of bistable IC for electronic shelf labels, as well as develop IP and engineering samples for IC cards.

For the microdisplay business, in addition to the existing VGA resolution microdisplay controller, the next-generation WVGA-resolution microdisplay controller is under development for applications in high-definition movies, stereo 3D games entertainment, and viewfinders of high-end digital cameras.

Display System Solution

The Group continues to invest in Display System Solution because it believes this business unit will gradually become an important contributor of the Group's financial performance. Display System Solution achieved noteworthy milestones in 2007: (1) achieved first pass silicon success with a multimedia processor that should formulate the foundation for future platform solutions; (2) developed the industry's first MIPI compliant bridge controller; and (3) shipped more than 1 million units of display system ICs.

The business nature of Display System Solution should promote the Group to the next level of competitiveness. Unlike Display Panel that depends primarily on IC design expertise and customer relationship, Display System Solution's business nature also requires software integration and reference design expertise with higher entry barriers.

The Group has developed partnerships with system design houses. Display System Solution intends to accelerate its product and business development by leveraging these partnerships. Moreover, its business nature also leads the Group to co-competition, incorporating chips from other suppliers to formulate a reference design or designing its MIPI bridge controller into others' reference designs.

Display System Solution identifies 5 major applications to focus its 2008 business development efforts: digital photo frame, portable multimedia player, personal navigation device, mobile digital TV and high quality video presentation with MIPI. The business unit is expected to increase its unit shipment significantly and contribute about 10% of the Group's overall sales in 2008.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SHARES

During the year, a total of 57,352,000 shares of HK$0.10 each of the Company were repurchased by the Company at prices ranging from HK$0.62 to HK$1.29 per share through The Stock Exchange of Hong Kong Limited ("the Stock Exchange"). Shares were repurchased during the year to enhance the return on equity. In addition, the trustee of the Share Award Scheme had, pursuant to the terms of the rules and trust deed of the Share Award Scheme, purchased from the market a total of 5,368,000 shares of HK$0.10 each of the Company for awarded shares. Except for the abovementioned purchase of the Company's own ordinary shares, there were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES AND MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUER

The Company has complied with all applicable code provisions as set out in the Code on Corporate Governance Practices in Appendix 14 of The Rules Governing the Listing of Securities (the "Listing Rule") on the Stock Exchange during the year ended 31 December 2007.

In 2007, the Company's commitment to high standards in corporate governance practices continued to earn market recognition from stakeholders such as:

- The Asset's Rising Star in Corporate Governance in Asia 2007
- IR Magazine Awards 2007, Grand Prix for Best Overall Investor Relations by a Hong Kong Company - *small or mid-cap*
- IR Magazine Awards 2007, Best Annual Report and Other Corporate Literature - *small or mid-cap*

The Company has its own written guidelines on securities transactions by directors and relevant employees on no less exacting terms than the required standard set out in Appendix 10 of the Listing Rules of the Stock Exchange. Specific enquiry has been made to all directors and all of them were in compliance with such guidelines during the year ended 31 December 2007.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2007. The figures in respect of the preliminary announcement of the Group's results for the year have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year 2007. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

FINAL DIVIDEND

The Directors of the Company proposed a final dividend of 2 HK cents per ordinary share to the shareholders of the Company whose names appear on the Register of Shareholders of the Company on 8 May 2008. The final dividend will be paid on 22 May 2008.

CLOSURE OF REGISTERS OF SHAREHOLDERS

The Register of Shareholders of the Company will be closed from Friday, 2 May 2008 to Thursday, 8 May 2008 (both days inclusive), during which no transfer of shares can be registered. In order to qualify for the final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 30 April 2008.

PUBLICATION OF FINAL RESULTS ON THE STOCK EXCHANGE'S WEBSITE

All the financial and other related information of the Company required by the Listing Rules of the Stock Exchange will be published on the Stock Exchange's website at www.hkex.com.hk and the Group's website www.solomon-systech.com.

On behalf of the Board
Solomon Systech (International) Limited
LEUNG Kwong Wai
Managing Director

Hong Kong, 27 March 2008

As at the date of this announcement, the Board of the Company comprises-

***(A) Executive Directors** – Mr. Leung Kwong Wai (Managing Director), Mr. Huang Hsing Hua, Mr. Lai Woon Ching, Mr. Lam Shun Fu, Percy and Mr. Lo Wai Ming;*
***(B) Non-executive Directors** – Mr. Chang Ching Yi, Steven, Dr. Lam Pak Lee and Mr. Sheu Wei Fu (alternate to Dr. Lam Pak Lee); and*
***(C) Independent Non-executive Directors** - Mr. Sun Patrick (Chairman), Mr. Choy Kwok Hung, Patrick and Mr. Wong Yuet Leung, Frankie.*