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**SOLARTECH INTERNATIONAL
HOLDINGS LIMITED**

榮盛科技國際控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1166)



**HUA YI COPPER
HOLDINGS LIMITED**

華藝銅業控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 559)

**DISCLOSEABLE TRANSACTION
AND
RESUMPTION OF TRADING**

**CONDITIONAL PLACING OF NEW SHARES
AND
RESUMPTION OF TRADING**

Placing Agent



PLACING OF NEW SHARES

On 25 June 2007, Hua Yi and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent has agreed to place, on a best effort basis, the Placing Shares at the Placing Price.

The Placing Shares represent approximately 4.46 per cent. of Hua Yi's existing issued share capital and approximately 4.27 per cent. of the issued share capital of Hua Yi as enlarged by the issue of the Placing Shares.

The net proceeds from the placing of the Placing Shares amount to approximately HK\$34 million. These net proceeds are intended to be used as general working capital of the Hua Yi Group, part of which will be applied by Hua Yi Group to fund part of the consideration for future acquisitions of copper mining investments as the Hua Yi Board considers appropriate when such opportunities arise.

The Placing Agreement is subject to certain termination events as set out below.

DISCLOSEABLE TRANSACTION

As at the date of this announcement, Solartech, through its wholly-owned subsidiary, Skywalk, beneficially owns approximately 59.74% of the issued share capital of Hua Yi.

* *For identification purposes only*

The beneficial interest of Solartech in the issued share capital of Hua Yi will be reduced from approximately 59.74% to approximately 57.19% following the placing of the Placing Shares.

Under Chapter 14 of the Listing Rules, the Placing constitutes a deemed disposal and a discloseable transaction for Solartech, on the basis that the calculations of the size tests ratio for Solartech is within the range of 5% and 25%.

Solartech will despatch a circular containing, amongst other things, details of the terms of the Placing Agreement to its shareholders as soon as practicable.

RESUMPTION OF TRADING

At the request of each of Solartech and Hua Yi, trading in the shares of each of Solartech and Hua Yi on the main board of the Stock Exchange was suspended with effect from 9:30 a.m. on 20 June 2007 pending release of this announcement. Application has been made by each of Solartech and Hua Yi to resume the trading of their shares with effect from 9:30 a.m. on 29 June 2007.

Shareholders and investors are advised to exercise caution in dealing in the shares of each of Hua Yi and Solartech.

PLACING AGREEMENT

Date

25 June 2007

Issuer

Hua Yi

Placing Agent

The Placing Agent is independent of and not connected with the directors, chief executives or substantial shareholders of each of Hua Yi and Solartech or any of their subsidiaries or any associates of any of them (as defined in the Listing Rules).

Placing Shares

A total of up to 30,000,000 new Shares, representing approximately 4.46 per cent. of the existing issued share capital of Hua Yi and approximately 4.27 per cent. of the issued share capital of Hua Yi as enlarged by the issue of 30,000,000 Placing Shares, will be placed by the Placing Agent on a best effort basis.

Placees

To the best knowledge of the Hua Yi Directors and the Solartech Directors, the Placing Shares, will be placed to, subject to the fulfillment of the condition of the Placing, not fewer than six placees (which will be individual, corporate or institutional investors or a combination of them), all of whom will be independent of and not connected with the directors, chief executive or substantial shareholder of each of Hua Yi and Solartech or any of its subsidiaries or any associates of any of them (as defined in the Listing Rules).

Placing Price

HK\$1.20 per Placing Share. The Placing Price represents:

- (a) a discount of approximately 10.45% to the closing price of HK\$1.340 per Share as quoted on the Stock Exchange on 18 June 2007, being the last trading day of the Shares immediately before the date of this announcement; and
- (b) a discount of approximately 19.25% to the average closing price of approximately HK\$1.486 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately before the date of this announcement.

The Placing Price, net of the placing commission and other costs and expenses, is approximately HK\$1.133 per Placing Share.

The terms and condition of the Placing Agreement, as well as the Placing Price, were determined between Hua Yi and the Placing Agent at arms' length, in particular, the Hua Yi Directors have taken into account the prevailing market conditions and the historical share price of Hua Yi when determining the Placing Price. The Hua Yi Directors and the Solartech Directors consider that the terms and condition of the Placing Agreement are fair and reasonable and in the best interests of Hua Yi, Solartech and their respective shareholders as a whole.

Placing Fee

Subject to Completion, a placing fee of 2.5 per cent. of the aggregate consideration for the Placing Shares will be payable to the Placing Agent.

GENERAL MANDATE TO ISSUE THE PLACING SHARES

The Placing Shares will be allotted and issued under the general mandate granted to the Hua Yi Directors at the annual general meeting of Hua Yi held on 16 November 2006. The aforesaid general mandate entitles Hua Yi to allot and issue up to 133,427,700 new Shares. As at the date of this announcement, no new Shares had been issued pursuant to such general mandate.

RANKING OF THE PLACING SHARES

The Placing Shares, when fully-paid and issued, will rank *pari passu* in all respects with the issued Shares and will receive all dividends and distributions declared, made or paid on or after the date of allotment.

CONDITION OF THE PLACING

The placing of the Placing Shares is conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Placing Shares (either unconditionally or subject to conditions which are acceptable to Hua Yi). If this condition is not fulfilled on or before 15 July 2007 or such later date as the parties may agree, the obligations and liabilities of Hua Yi and the Placing Agent under the Placing Agreement shall be null and void and Hua Yi and the Placing Agent shall be released from all rights and obligations pursuant to the Placing Agreement.

The above condition cannot be waived.

TERMINATION EVENTS

The Placing Agreement contains provisions granting the Placing Agent the right to terminate its placing obligations by notice to Hua Yi at any time prior to Completion on the occurrence of certain events including force majeure, any material adverse change in the management, business and financial condition of Hua Yi or its subsidiaries taken as a whole, any material disruption in securities settlement, payment or clearance services or any event which would have rendered the representations and warranties in the Placing Agreement untrue or inaccurate in any material respect.

If the Placing Agent exercises such right to terminate the Placing, the Placing will not proceed.

Shareholders and investors are advised to exercise caution in dealing in the shares of each of Hua Yi and Solartech.

COMPLETION OF THE PLACING

Completion of the placing of the Placing Shares is expected to take place on the second Business Day after the condition of the placing of the Placing Shares has been fulfilled. A further announcement will be issued upon completion of the Placing.

INFORMATION ON HUA YI

Hua Yi is an investment holding company and the Hua Yi Group is principally engaged in the manufacture and trading of copper rods, life-like plants and the production, distribution and licensing of television programmes.

INFORMATION ON SOLARTECH

Solartech is an investment holding company and the Solartech Group is principally engaged in the manufacture and trading of cables and wires, copper rods, connectors and terminals. As at the date of this announcement, Solartech, through its wholly-owned subsidiary, Skywalk, beneficially owns approximately 59.74% of the issued share capital of Hua Yi.

REASONS FOR THE PLACING AND THE USE OF PROCEEDS

The Hua Yi Board considers that the Placing would enlarge the shareholders base of Hua Yi and strengthen the Hua Yi Group's financial position. The Hua Yi Board considers the Placing is in the interest of Hua Yi. The net proceeds from the placing of the Placing Shares amount to approximately HK\$34 million. These net proceeds are intended to be used as general working capital of the Hua Yi Group, part of which will be applied by Hua Yi Group to fund part of the consideration for future acquisitions of copper mining investments as the Hua Yi Board considers appropriate when such opportunities arise.

Hua Yi has not issued any equity securities to raise funds in the 12 months immediately preceding this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF HUA YI

The shareholding structure of Hua Yi as at the date of this announcement and the shareholding structure of Hua Yi upon issue of the Placing Shares are set out below:

	As at the date of this announcement		Immediately after the placing of the Placing Shares	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Skywalk	402,131,875	59.74	402,131,875	57.19
Chau Lai Him	2,894,000	0.43	2,894,000	0.41
Placees (public shareholders)	–	–	30,000,000	4.27
Other public shareholders	268,108,625	39.83	268,108,625	38.13
Total	<u>673,134,500</u>	<u>100.00</u>	<u>703,134,500</u>	<u>100.00</u>

Assuming the placees procured by the Placing Agent do not hold any Shares immediately before Completion and there is no other change in the shareholding of Hua Yi after the date of this announcement, to the best of the Hua Yi Directors' knowledge and based on publicly available information including various filings under the SFO, there will not be any new substantial shareholder (within the meaning ascribed thereto in the Listing Rules) of Hua Yi immediately before and after Completion (save as disclosed above).

EFFECT ON SOLARTECH

The beneficial interest of Solartech (through its interest in Skywalk) in the issued share capital of Hua Yi will be reduced from approximately 59.74% to approximately 57.19% following the placing of the Placing Shares. Following Completion, Hua Yi will continue to be a subsidiary of Solartech.

As at 30 June 2006 (being the date up to which the latest published audited consolidated accounts of Hua Yi were made), the net profit before taxation and extraordinary items and the net profit after taxation and extraordinary items of Hua Yi were HK\$109,489,000 and HK\$90,304,000. Net profits attributable to the deemed disposal by Solartech (through its interest in Skywalk) of 2.55% shareholding in Hua Yi for the two financial years ended 30 June 2006 were:

- (a) approximately HK\$733,000 (before taxation and extraordinary items) or approximately HK\$521,000 (after taxation and extraordinary items) for the financial year ended 30 June 2005; and
- (b) approximately HK\$2,792,000 (before taxation and extraordinary items) or approximately HK\$2,303,000 (after taxation and extraordinary items) for the financial year ended 30 June 2006.

As at 31 December 2006 (being the date up to which the latest published interim report of Hua Yi were made), the consolidated net asset value of Hua Yi was HK\$508,199,000. As at 31 December 2006, the carrying value of the 2.55% shareholding in Hua Yi deemed to have been disposed of by Solartech (through its interest in Skywalk) was approximately HK\$12,959,000 (calculated on the basis of 2.55% of the consolidated net asset value of Hua Yi as at 31 December 2006). Accordingly, this will give rise to an estimated gain of approximately HK\$6,480,000 for Solartech (through its interest in Skywalk).

The market value of the 2.55% shareholding in Hua Yi deemed to have been disposed of by Solartech (through its interest in Skywalk) is approximately HK\$23,001,006 (calculated on the basis of the closing price of HK\$1.34 per Share as quoted on the Stock Exchange on 18 June 2007, being the last trading day of the Shares immediately before the date of this announcement).

APPLICATION FOR LISTING

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

DISCLOSEABLE TRANSACTION

The beneficial interest of Solartech in the issued share capital of Hua Yi will be reduced from approximately 59.74% to approximately 57.19% following the placing of the Placing Shares.

Under Chapter 14 of the Listing Rules, the Placing constitutes a deemed disposal and a discloseable transaction for Solartech, on the basis that the calculations of the size tests ratio for Solartech is within the range of 5% and 25%.

Solartech will despatch a circular containing, amongst other things, details of the terms of the Placing Agreement to its shareholders as soon as practicable.

RESUMPTION OF TRADING

At the request of each of Solartech and Hua Yi, trading in the shares of each of Solartech and Hua Yi on the main board of the Stock Exchange was suspended with effect from 9:30 a.m. on 20 June 2007 pending release of this announcement, when the principal terms of the Placing Agreement were negotiated and determined with the Placing Agent, and the terms of the Placing Agreement were finalised on 25 June 2007. Hua Yi and Solartech requested for the trading suspension in order to avoid the risk of any establishment of a false market in the trading of the shares of Hua Yi and Solartech. Application has been made by each of Solartech and Hua Yi to resume the trading of their shares with effect from 9:30 a.m. on 29 June 2007.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.

DEFINITION

In this announcement, the expressions below have the meanings assigned:

“Business Day”	means a day (other than a Saturday) on which banks in Hong Kong are open for business;
“Completion”	means completion of the Placing;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hua Yi”	means Hua Yi Copper Holdings Limited (Stock Code: 559), a limited liability company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange, and a subsidiary of Solartech;
“Hua Yi Board”	means the board of directors of Hua Yi;
“Hua Yi Directors”	means the directors of Hua Yi;
“Hua Yi Group”	means Hua Yi and its subsidiaries;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Placing”	means the placing of the Placing Shares;
“Placing Agent”	means CCB International Capital Limited, a licensed corporation for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO;
“Placing Agreement”	means the conditional agreement entered into by Hua Yi and the Placing Agent on 25 June 2007;
“Placing Price”	means HK\$1.20 per Share to be placed pursuant to the Placing Agreement;
“Placing Shares”	means up to 30,000,000 new Shares to be issued by Hua Yi pursuant to the Placing Agreement;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

“Share(s)”	means ordinary share(s) of par value HK\$0.20 each in the capital of Hua Yi;
“Skywalk”	means Skywalk Assets Management Limited, a company incorporated in the British Virgin Islands, a controlling shareholder of Hua Yi and a wholly-owned subsidiary of Solartech;
“Solartech”	means Solartech International Holdings Limited (Stock Code:1166), a limited liability company incorporated in Bermuda whose shares are listed on the main board of the Stock Exchange, the holding company of Hua Yi;
“Solartech Directors”	means the directors of Solartech;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board
Solartech International Holdings Limited
Chau Lai Him
Chairman and Managing Director

By order of the Board
Hua Yi Copper Holdings Limited
Chau Lai Him
Chairman and Managing Director

Hong Kong, 28 June 2007

As at the date of this announcement, the board of directors of Solartech comprises of Mr. Chau Lai Him, Mr. Zhou Jin Hua, Mr. Liu Jin Rong and Mr. Chow Kin Ming being the executive directors and Mr. Lo Wai Ming, Mr. Chung Kam Kwong and Mr. Lo Chao Ming being the independent non-executive directors.

As at the date of this announcement, the board of directors of Hua Yi comprises of Mr. Chau Lai Him, Mr. Chu Yuk Kuen and Mr. Chow Kin Ming being the executive directors and Mr. Lee Kin Keung, Mr. Chung Kam Kwong and Mr. Lo Chao Ming being the independent non-executive directors.