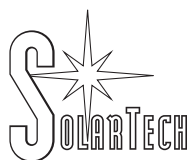


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Solartech International Holdings Limited and/or Hua Yi Copper Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**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: 0559)

DISCLOSEABLE TRANSACTION

DISPOSAL OF LIFE-LIKE PLANT BUSINESS

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2007 Audited Accounts”	the audited consolidated balance sheet of FTFE and FTC as at 30 June 2007 and the audited consolidated profit and loss accounts of FTFE and FTC for the period commencing from 1 July 2006 to 30 June 2007
“Aggregate Consideration”	aggregate of the Assignment Consideration and the Share Consideration
“Announcement”	the joint announcement of Solartech and Hua Yi dated 21 May 2007 in relation to the Disposal
“Assignment”	the assignment by the Vendor to the Purchaser at the Completion Date of the Sale Loan
“Assignment Consideration”	HK\$59,999,999, being the consideration payable by the Purchaser to the Vendor for the Assignment
“Bond Maturity Date”	the date being the expiry of 3 years from the date of issue of the Convertible Bonds
“Bonds Instrument”	the instrument to be executed by the Purchaser by way of a deed poll constituting the Convertible Bonds
“Business Day”	a day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“BVI”	the British Virgin Islands
“Completion Date”	date of completion of the Sale and Purchase Agreement, being the date falling the third Business Day after all the conditions for the Disposal have been fulfilled or at such other time as the Parties may agree
“Conversion Period”	the period commencing from the date of issue of the Convertible Bonds and expiring on the third anniversary of such date
“Conversion Shares”	new Kong Sun Shares falling to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds

DEFINITIONS

“Convertible Bonds”	the 4% unsecured convertible bonds due three years from the date of issue for an aggregate principal amount of HK\$40 million constituted by the Bonds Instrument
“Delisting Procedures”	the delisting procedures set out in Practice Note 17 to the Listing Rules
“Disposal”	the sale and purchase of the Sale Shares and the Assignment pursuant to the Sale and Purchase Agreement
“DUAPP”	Dongguan United Arts Plastic Products Limited, a Sino-foreign equity joint venture established in the PRC and whose equity interest are held by FTC and a PRC party as to 90% and 10%, respectively as at the date of the Sale and Purchase Agreement
“FTC”	FT China Limited, a private limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Hua Yi
“FTC Shares”	2 issued shares of HK\$1.00 each in the share capital of FTC, constituting the entire issued share capital of FTC, that are beneficially held by the Vendor as at the date of the Sale and Purchase Agreement
“FTFE”	FT Far East Limited, a private limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Hua Yi
“FTFE Shares”	2 issued shares of HK\$1.00 each in the share capital of FTFE, constituting the entire issued share capital of FTFE, that are beneficially held by the Vendor as at the date of the Sale and Purchase Agreement
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hua Yi”	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

DEFINITIONS

“Hua Yi Board”	the board of directors of Hua Yi
“Hua Yi Directors”	the directors of Hua Yi
“Hua Yi Group”	Hua Yi and its subsidiaries (having the meaning ascribed to it in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong))
“Hua Yi Shareholders”	shareholders of Hua Yi
“Joint Venture Contract”	the joint venture contract dated 8 September 1993 entered into between FTC and a party in the PRC in relation to, among other things, the establishment and management of DUAPP
“Kong Sun”	Kong Sun Holdings Limited (Stock Code: 295), a company incorporated in Hong Kong whose shares are listed on the main board of the Stock Exchange (the dealing of which has been suspended since 17 June 2004)
“Kong Sun Group”	Kong Sun and its subsidiaries
“Kong Sun Shares”	shares of HK\$0.10 in the capital of Kong Sun
“Latest Practicable Date”	5 June 2007, being the latest practicable date prior to the printing of this circular for the purpose of 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 made by the Stock Exchange from time to time
“Long Stop Date”	30 September 2007 or such other date as the Parties may otherwise agree
“Net Asset Value”	at the relevant time, the surplus (if any) of the assets of the Sale Companies over their liabilities (excluding share capital and any liability in respect of loan stock or shareholder’s loans, in particular, the Sale Loan)
“Parties”	the parties to the Sale and Purchase Agreement, that is, the Vendor, the Purchaser and Kong Sun

DEFINITIONS

“PRC”	The People’s Republic of China, which, for the purposes of this circular, does not include Hong Kong, Macau and Taiwan
“Promissory Note”	the promissory note in the agreed form to be executed on the Completion Date by Kong Sun in favour of the Vendor for the purposes of settling HK\$20 million out of the Aggregate Consideration
“Purchaser”	Eternal Gain Investments Limited, a company incorporated in BVI and a wholly-owned subsidiary of Kong Sun
“Redemption Period”	any time during the period between 20 months after the issue of the Convertible Bonds and before the Bond Maturity Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 19 May 2007 entered into between the Vendor, the Purchaser and Kong Sun in relation to the sale and purchase of the Sale Shares and the Assignment
“Sale Companies”	FTFE, FTC and the Subsidiaries
“Sale Loan”	the indebtedness in the amount of HK\$80,786,000 owed to the Vendor by FTFE as at 19 May 2007
“Sale Shares”	the FTFE Shares and the FTC Shares
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Consideration”	HK\$1, being the consideration payable by the Purchaser to the Vendor for the Sale Shares
“Solartech”	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
“Solartech Board”	the board of directors of Solartech
“Solartech Directors”	directors of Solartech
“Solartech Group”	Solartech and its subsidiaries (having the meaning ascribed to it in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong))

DEFINITIONS

“Solartech Shareholders”	shareholders of Solartech
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	DUAPP and WPP
“Vendor”	Brightpower Assets Management Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of Hua Yi
“WPP”	Weihai Plastic Products Company Limited, a company established in the PRC and a wholly-owned subsidiary of FTC

LETTER FROM THE BOARD



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)

Executive directors of Solartech:

Mr. Chau Lai Him

(Chairman and Managing Director)

Mr. Zhou Jin Hua

Mr. Liu Jin Rong

Mr. Chow Kin Ming

*Independent non-executive directors
of Solartech:*

Mr. Lo Wai Ming

Mr. Chung Kam Kwong

Mr. Lo Chao Ming

Registered office of Solartech:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place of
business of Solartech:*

No. 7, 2nd Floor

Kingsford Industrial Centre

13 Wang Hoi Road

Kowloon Bay

Kowloon

Hong Kong



HUA YI COPPER HOLDINGS LIMITED

華藝銅業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0559)

Executive directors of Hua Yi:

Mr. Chau Lai Him

(Chairman and Managing Director)

Mr. Chu Yuk Kuen

Mr. Chow Kin Ming

*Independent non-executive directors
of Hua Yi:*

Mr. Lee Kin Keung

Mr. Chung Kam Kwong

Mr. Lo Chao Ming

Registered office of Hua Yi:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place of
business of Hua Yi:*

No. 7, 2nd Floor

Kingsford Industrial Centre

13 Wang Hoi Road

Kowloon Bay

Kowloon

Hong Kong

8 June 2007

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE TRANSACTION

DISPOSAL OF LIFE-LIKE PLANT BUSINESS

INTRODUCTION

Reference is made to the Announcement in which the Solartech Board and the Hua Yi Board jointly announced that on 19 May 2007 the Vendor, the Purchaser and Kong Sun

* For identification purposes only

LETTER FROM THE BOARD

entered into a conditional Sale and Purchase Agreement whereby the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares at the Share Consideration. In addition, pursuant to the Sale and Purchase Agreement, the Vendor will at the Completion Date assign all its benefits and rights in respect of the Sale Loan to the Purchaser at the Assignment Consideration. The Aggregate Consideration will be settled partly by way of Kong Sun executing upon the Completion Date the Promissory Note in an amount of HK\$20 million to the Vendor and partly by way of Kong Sun issuing upon the Completion Date the Convertible Bonds for an aggregate principal amount of HK\$40 million to the Vendor or its nominee as the Vendor may direct.

The Disposal constitutes a discloseable transaction for each of Hua Yi and Solartech under Chapter 14 of the Listing Rules. This circular contains, among other things, further details of the Disposal required to be disclosed under the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

- Date: 19 May 2007
- Parties:
- (1) Vendor: Brightpower Assets Management Limited
 - (2) Purchaser: Eternal Gain Investments Limited (To the best of the Hua Yi Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser and Kong Sun are third parties independent of Hua Yi and Solartech and connected persons of each of them.)
 - (3) Kong Sun Holdings Limited
- Summary: The Vendor has agreed to sell and the Purchaser has agreed to purchase the Sale Shares at the Share Consideration. In addition, upon the Completion Date, the Vendor will assign to the Purchaser all its benefits and rights in respect of the Sale Loan to the Purchaser at the Assignment Consideration.
- Conditions: Completion of the Disposal is conditional on the following conditions being satisfied on or before the Long Stop Date:
- (1) the approval by shareholders of Kong Sun of the Sale and Purchase Agreement and the transactions contemplated thereunder, including without limitation, the issue of the Convertible Bonds and the execution of the Promissory Note, in accordance with the Listing Rules; and

LETTER FROM THE BOARD

- (2) the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Conversion Shares (subject only to allotment and matters ancillary thereto).

None of the above conditions may be waived by any of the Parties.

Consideration:

The Aggregate Consideration was determined after arm's length negotiation between the Parties by reference to the aggregate unaudited net assets position of the Sale Companies as at 31 December 2006, the amount of the Sale Loan as well as the current and future prospects of the Sale Companies to the Hua Yi Group as a whole as set out in the section headed "Reasons for and Benefits of the Disposal".

The Aggregate Consideration will be settled partly by way of Kong Sun executing upon the Completion Date the Promissory Note in an amount of HK\$20 million to the Vendor and partly by way of Kong Sun issuing upon the Completion Date the Convertible Bonds for an aggregate principal amount of HK\$40 million to the Vendor or its nominee as the Vendor may direct.

Profit Guarantee:

The Vendor has agreed to warrant and guarantee to the Purchaser that the audited consolidated net profits after tax and any extraordinary or exceptional items of the Sale Companies will, in aggregate, be not less than HK\$7,000,000 for the financial year ending 30 June 2007 ("**Guaranteed Profit**").

If the actual aggregate audited consolidated net profits after tax and any extraordinary or exceptional items of the Sale Companies for the financial year ending 30 June 2007 (the "**Actual Profit**") is less than the Guaranteed Profit, the Vendor shall be entitled to set off the difference against the payment obligations of Kong Sun under the Promissory Note by Kong Sun on a dollar to dollar basis.

If the Sale Companies record an aggregate consolidated loss for the year ending 30 June 2007, the Actual Profit shall be deemed to be nil. If the Actual Profit exceeds the Guaranteed Profit, no amount will be payable to the Vendor.

LETTER FROM THE BOARD

Net Asset Value Guarantee: The Vendor has agreed to warrant and guarantee to the Purchaser that the audited consolidated Net Asset Value of the Sale Companies as at 30 June 2007 as shown in the 2007 Audited Accounts will not, in aggregate, be less than HK\$70,000,000 ("**Guaranteed NAV**").

If the actual audited consolidated Net Asset Value of the Sale Companies as at 30 June 2007 (the "**Actual NAV**") is less than the Guaranteed NAV, the Vendor shall be entitled to set off the difference against the payment obligations of Kong Sun under the Promissory Note by Kong Sun on a dollar to dollar basis.

If the Sale Companies record, in aggregate, a consolidated net liabilities position in the 2007 Audited Accounts, the Actual NAV for such financial year shall for the purpose of this net asset value guarantee be deemed to be nil. If the Actual NAV exceeds the Guaranteed NAV, no amount will be payable to the Vendor.

Completion: Completion of the Disposal is expected to take place on the third Business Day after all the conditions set out in the section headed "Conditions" have been fulfilled or at such other date as the Parties may agree.

THE PROMISSORY NOTE

For the purpose of settling HK\$20 million out of the Aggregate Consideration, the Parties agreed that Kong Sun shall upon the Completion Date execute and deliver a Promissory Note in favour of the Vendor.

The following is a summary of the key terms of the Promissory Note:

- (1) Principal amount: HK\$20 million
- (2) Interest rate: 4% per annum commencing from 1 month after the Completion Date
- (3) Default interest rate: 8% per annum
- (4) Repayment: The Promissory Note is repayable in one lump sum on or before six months from the Completion Date or 1 month after the resumption of trading of the Kong Sun Shares on the Stock Exchange, whichever is earlier, or such other date as mutually agreed in writing by Kong Sun and the Vendor ("**Note Maturity Date**").

LETTER FROM THE BOARD

- (5) Redemption Period: Kong Sun has the option to redeem the Promissory Note in whole or in part at any time after three months from the date of the issue of the Promissory Note up to the date immediately prior to the Note Maturity Date.

THE CONVERTIBLE BONDS

For the purpose of settling HK\$40 million out of the Aggregate Consideration, the Parties agreed that Kong Sun shall upon the Completion Date execute and deliver a Bonds Instrument in favour of the Vendor or its nominee.

The Convertible Bonds are convertible into Kong Sun Shares in accordance with the terms of the Bonds Instrument. The initial conversion price is HK\$0.10 per Conversion Share, subject to adjustments. In the event that the Vendor exercises the conversion rights attached to the Convertible Bonds, initially up to 400,000,000 new Kong Sun Shares would be allotted and issued to the Vendor, and such amount of new Kong Sun Shares represents 15.62% of the existing issued shares of Kong Sun and 13.51% of the enlarged issued shares of Kong Sun (assuming that no subdivision or consolidation of shares of the Purchaser or other event(s) which may result in an adjustment of the initial conversion price takes place during the period between the date of Completion and the date when the Vendor exercises the conversion rights attaching to the Convertible Bonds).

The following is a summary of the key terms of the Convertible Bonds:

- (1) Principal amount: HK\$40 million
- (2) Interest rate: 4% per annum
- (3) Conversion Period: Commencing from the date of issue of the Convertible Bonds and expiring on the third anniversary thereof.
- (4) Redemption Period: Any time during the period between 20 months after the issue of the Convertible Bonds and before the Bond Maturity Date.
- (5) Bond Maturity Date: The date being the expiry of 3 years from the date of issue of the Convertible Bonds.
- (6) Initial conversion price: HK\$0.10 per Conversion Share, subject to adjustments.

Kong Sun shall apply for the approval of the Stock Exchange for the listing of and permission to deal in the Conversion Shares and such approval constitutes one of the conditions for completion of the Disposal.

LETTER FROM THE BOARD

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.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in BVI and a wholly-owned subsidiary of Kong Sun. Kong Sun is an investment holding company and the Kong Sun Group is principally engaged in property investment and development. Dealing in the Kong Sun Shares has been suspended since 17 June 2004. According to the Stock Exchange's announcement dated 16 May 2007 in respect of Kong Sun, Kong Sun has been placed in the third stage of the Delisting Procedures unless it submits a viable resumption proposal at least 10 business days (as defined in the Listing Rules) before 15 November 2007.

INFORMATION ON THE SALE COMPANIES

As at the date of the Sale and Purchase Agreement, Hua Yi, through the Vendor, indirectly owns the entire issued share capital of each of FTFE and FTC. FTFE is principally engaged in trading of life-like decorative plants while FTC is principally engaged in manufacture of life-like decorative plants through DUAPP.

In 1993, FTC entered into a joint venture contract with a party in the PRC to establish DUAPP. As at the date of the Sale and Purchase Agreement, FTC and the PRC party own a 90% and 10% equity interest of DUAPP respectively. Pursuant to the Joint Venture Agreement and a supplemental agreement to it, the PRC party agreed to waive its entitlement to share in the profits and losses of DUAPP in return for an annual management fee and all of the assets of DUAPP would be assigned to FTC upon the expiry of the Joint Venture Agreement. Accordingly, all assets, liabilities and the operating results of DUAPP are consolidated into Hua Yi's financial statements as if it is a wholly-owned subsidiary of the Hua Yi Group.

DUAPP is principally engaged in manufacture of life-like decorative plants.

As at the date of the Sale and Purchase Agreement, (a) the Vendor owns the entire issued share capital of FTFE and FTC respectively, (b) FTC owns 90% equity interest of DUAPP but having a full effective control of DUAPP through contractual arrangement with the PRC party and (c) FTC owns 100% of WPP.

LETTER FROM THE BOARD

As at 31 December 2006, FTFE had an unaudited net liabilities of approximately HK\$35,278,000 based on the unaudited management accounts of FTFE for the 6 months ended 31 December 2006, and FTC (including DUAPP and WPP) had an unaudited consolidated net assets value of approximately HK\$47,326,000 based on the unaudited management accounts of FTC for the 6 months ended 31 December 2006. The following table shows certain financial information of each of FTFE and FTC for the 18 months ended 30 June 2005 and the year ended 30 June 2006:

	FTFE	
	18 months ended 30 June 2005 (audited) <i>HK\$'000</i>	Year ended 30 June 2006 (audited) <i>HK\$'000</i>
Net profit/(loss) before taxation and extraordinary items	(5,694)	1,044
Net profit/(loss) after taxation and extraordinary items	(5,694)	(357)
	FTC (including DUAPP and WPP)	
	18 months ended 30 June 2005 (audited) <i>HK\$'000</i>	Year ended 30 June 2006 (audited) <i>HK\$'000</i>
Net profit/(loss) before taxation and extraordinary items	(8,130)	(688)
Net profit/(loss) after taxation and extraordinary items	(7,753)	(1,677)

Following the Disposal, the Solartech Group and the Hua Yi Group expects to recognise an unaudited loss of approximately HK\$3,534,000 in their respective accounts. Such loss is the difference between the Aggregate Consideration and the unaudited net assets value of the Sale Companies as at 31 December 2006 of approximately HK\$63,534,000 (which was the aggregate unaudited net assets value excluding the Sale Loan and including the provision for the investment costs on the Sale Companies) based on the unaudited management accounts of each of FTFE and FTC for the 6 months ended 31 December 2006. The final amount of the actual gain or loss as a result of the Disposal will be determined as at the Completion Date when the amount of such gain or loss is actually realised based on the net assets value of the Sale Companies as at that date.

The Solartech Directors and the Hua Yi Directors are of the view that the Disposal will not have a material impact on the earnings, assets and liabilities of the Solartech Group and the Hua Yi Group. Upon completion of the Disposal, it is expected that the Solartech Group's and the Hua Yi Group's non-current assets will decrease and net current assets will increase.

LETTER FROM THE BOARD

USE OF PROCEEDS FROM DISPOSAL

The Solartech Group and the Hua Yi Group expects to receive proceeds from the Disposal of HK\$20 million in the form of the Promissory Note, and HK\$40 million Convertible Bonds which are expected to be either converted into Conversion Shares at any time during the Conversion Period or redeemed at any time during the Redemption Period. Depending on the circumstances, the Solartech Group and the Hua Yi Group have not decided when and how to realise the proceeds from the above instruments. In due course, the Solartech Group and the Hua Yi Group intends to use the full amount of the proceeds from the Disposal to strengthen their working capital.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The life-like decorative plants and related business, as engaged by the Sale Companies, is a non-core business operation of the Hua Yi Group operating in a totally different business model when compared with the core copper business of the Hua Yi Group. It occupies financial and management resources of the Hua Yi Group in a higher proportional weight than it should have occupied the Hua Yi Group. At the same time, this operation had not generated sufficient cash flow to the Hua Yi Group. Accordingly, the Hua Yi Group decided to dispose of this non-core business operation and concentrate its resources and management effort in its core copper business.

As set out in the section headed “Consideration”, the Hua Yi Group expects to receive aggregate proceeds of HK\$60 million in due course following the Disposal. The Hua Yi Directors considered that the Disposal will generate a much higher cash flow in coming three to four years than keeping the Sale Companies within the Hua Yi Group.

In conclusion, the Hua Yi Group will not only benefit from a stronger working capital position after realising the Proceeds from Disposal, but also could direct all its corporate resources previously occupied by the Sale Companies towards the development of the core copper business. This will enhance the capability of the Hua Yi Group in horizontal expansion and vertical integration in the core copper business.

Based on the above, the Solartech Directors and the Hua Yi Directors have come to the commercial decision that the Solartech Group’s and the Hua Yi Group’s discontinuation of the life-like decorative plants and related business is in the best interests of Hua Yi, the Hua Yi Shareholders, Solartech and the Solartech Shareholders as a whole.

The terms and conditions of the Sale and Purchase Agreement, as well as the Share Consideration and the Assignment Consideration, were determined between the Parties at arms’ length, and the Hua Yi Directors and the Solartech Directors consider that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and in the best interests of Hua Yi, the Hua Yi Shareholders, Solartech and the Solartech Shareholders as a whole.

LETTER FROM THE BOARD

DISCLOSEABLE TRANSACTION

The Disposal constitutes a discloseable transaction for each of Hua Yi and Solartech under Chapter 14 of the Listing Rules, and thus is not subject to Hua Yi Shareholders' and Solartech Shareholders' approval.

Upon completion of the sale of the Sale Shares, Solartech and Hua Yi will cease to hold any interests in FTFE, FTC, DUAPP and WPP which will cease to be subsidiaries of Solartech and Hua Yi, and their results will therefore cease to be consolidated in the accounts of Solartech and Hua Yi with effect from the Completion Date.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

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

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to Solartech and Hua Yi. The Solartech Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular (so far as that relates to the Solartech Group (except as otherwise indicated)) and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts (so far as that relates to the Solartech Group (except as otherwise indicated)) the omission of which would make any statement herein misleading. The Hua Yi Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular (so far as that relates to the Hua Yi Group (except as otherwise indicated)) and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts (so far as that relates to the Hua Yi Group (except as otherwise indicated)) the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

2.1 Directors' and chief executives' interests in securities of Solartech and its associated corporations

As at the Latest Practicable Date, the interests and short positions held by the Solartech Directors and chief executives of Solartech in the shares, underlying shares and debentures of Solartech and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to Solartech and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to Solartech and the Stock Exchange were as follows:

(a) Long positions in shares of Solartech

Name of director	Class of shares	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Chau Lai Him	Ordinary shares	Beneficial owner	41,210,000	8.42%
Chau Lai Him	Ordinary shares	Founder of a discretionary trust	81,992,000 (Note)	16.76%

Note: These shares are held by Chau's Family 1996 Limited which is wholly owned by the Chau's Family 1996 Trust, a discretionary trust of which Mr. Chau Lai Him is a discretionary object.

(b) Long positions in shares of associated corporations – Hua Yi

Name of director	Class of shares	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Chau Lai Him	Ordinary shares	Beneficial owner	2,894,000	0.43%

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Solartech Directors and chief executives of Solartech had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of Solartech or its associated corporations which were required to be notified to Solartech and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to Solartech and the Stock Exchange.

None of the Solartech Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of Solartech which would fall to be disclosed to Solartech under the provisions of Divisions 2 and 3 of Part XV of the SFO.

2.2 Substantial shareholders' and other persons' interests in securities of Solartech

So far as is known to any Solartech Director or chief executive of Solartech, as at the Latest Practicable Date, Solartech Shareholders (other than Solartech Directors or chief executive of Solartech) who had an interest or short position in the shares or underlying shares of Solartech which would fall to be disclosed to Solartech under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Solartech Group and the amount of each of such person's interest in such securities, together with particulars of any options in respect of such capital, were as follows:

Long positions in shares of Solartech

Name of substantial shareholder	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Chau's Family 1996 Limited	Beneficial owner	81,992,000 (Note 1) (Note 2)	16.76%

Name of substantial shareholder	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Newcorp Holdings Ltd.	Interest of corporation controlled by substantial shareholder	81,992,000 (Note 2)	16.76%
Hill David Henry Christopher	Interest of corporation controlled by substantial shareholder	81,992,000 (Note 2)	16.76%
Hill Rebecca Ann	Interest of child under 18 or spouse	81,992,000 (Note 2)	16.76%
David William Roberts	Interest of corporation controlled by substantial shareholder	81,992,000 (Note 2)	16.76%
Centar Investments (Asia) Ltd.	Beneficial owner	21,981,818	4.49%
Credit Suisse Group	Interest of controlled corporation	59,430,000	12.15%
Deutsche Bank Aktiengesellschaft	Security interest in shares	25,970,000	5.31%
Penta Investment Advisers Ltd.	Investment manager	48,642,727	9.94%
Zwaanstra John	Interest of controlled corporation	48,642,727	9.94%
Stark Investments (Hong Kong) Limited	Investment manager	28,363,636	5.80%
Yin Jin Hua	Beneficial owner	55,700,000	11.39%

Notes:

1. The 81,992,000 shares of Solartech are held by Chau's Family 1996 Limited which is wholly owned by the Chau's Family 1996 Trust, a discretionary trust of which Mr. Chau Lai Him is a discretionary object.
2. The 81,992,000 shares of Solartech held by each relevant substantial shareholder are the same batch.

Other persons having interests or short positions in other members of the Solartech Group

Name of Solartech's subsidiary	Substantial shareholder of such subsidiary	Nature of interest	Number of existing shares/fully paid registered capital	Percentage of issued share capital/registered capital
東莞新寶精化有限公司 Dongguan Xin Bao Precision Chemical Co., Ltd.	Luckyman Assets Management Limited	Beneficial owner	HK\$6,750,000	15%
FT Multi-Media Limited	Nobleman Holdings Limited	Beneficial owner	4,000 shares	40%

Save as disclosed above, so far as is known to any Solartech Director or chief executive of Solartech, as at the Latest Practicable Date, Solartech had not been notified by any persons (other than Solartech Directors or chief executive of Solartech) who had an interest or short position in the shares or underlying shares of Solartech which would fall to be disclosed to Solartech under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Solartech Group, or any options in respect of such capital.

2.3 Directors' and chief executives' interests in securities of Hua Yi and its associated corporations

As at the Latest Practicable Date, the interests and short positions held by the Hua Yi Directors and chief executives of Hua Yi in the shares, underlying shares and debentures of Hua Yi and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to Hua Yi and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to Hua Yi and the Stock Exchange were as follows:

Long positions in shares of Hua Yi

Name of director	Class of shares	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Chau Lai Him	Ordinary shares	Beneficial owner	2,894,000	0.43%

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Hua Yi Directors and chief executives of Hua Yi had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of Hua Yi or its associated corporations which were required to be notified to Hua Yi and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to Hua Yi and the Stock Exchange.

Mr. Chau Lai Him, Mr. Chow Kin Ming, Mr. Chung Kam Kwong and Mr. Lo Chao Ming, being directors of Hua Yi, are also directors of Solartech. Save as disclosed herein, none of the Hua Yi Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of Hua Yi which would fall to be disclosed to Hua Yi under the provisions of Divisions 2 and 3 of Part XV of the SFO.

2.4 Substantial shareholders' and other persons' interests in securities of Hua Yi

So far as is known to any Hua Yi Director or chief executive of Hua Yi, as at the Latest Practicable Date, Hua Yi Shareholders (other than Hua Yi Directors or chief executive of Hua Yi) who had an interest or short position in the shares or underlying shares of Hua Yi which would fall to be disclosed to Hua Yi under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Hua Yi Group and the amount of each of such person's interest in such securities, together with particulars of any options in respect of such capital, were as follows:

Long positions in shares of Hua Yi

Name of substantial shareholder	Capacity in which the shares are held	Number of shares interested	Approximate shareholding
Solartech	Interest of controlled corporation	402,131,875 (Note)	59.79%
Skywalk Assets Management Limited ("Skywalk")	Interest of controlled corporation	402,131,875 (Note)	59.79%

Note: Given Skywalk is a wholly owned subsidiary of Solartech, Solartech was deemed to be interested in the shares of Hua Yi held directly by Skywalk by virtue of the SFO.

Other persons having interests or short positions in other members of the Hua Yi Group

Name of Hua Yi's subsidiary	Substantial shareholder of such subsidiary	Nature of interest	Number of existing shares/fully paid registered capital	Percentage of issued share capital/registered capital
FT Multi-Media Limited	Nobleman Holdings Limited	Beneficial owner	4,000 shares	40%

Save as disclosed above, so far as is known to any Hua Yi Director or chief executive of Hua Yi, as at the Latest Practicable Date, Hua Yi had not been notified by any persons (other than Hua Yi Directors or chief executive of Hua Yi) who had an interest or short position in the shares or underlying shares of Hua Yi which would fall to be disclosed to Hua Yi under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Hua Yi Group, or any options in respect of such capital.

3. DIRECTORS' INTEREST IN COMPETING BUSINESS

To the best of the Solartech Directors' knowledge, information and belief having made all reasonable enquiry, none of the Solartech Directors or their respective associates has any interest in a business which competes or is likely to compete with the business of the Solartech Group and the Hua Yi Group. To the best of the Hua Yi Directors' knowledge, information and belief having made all reasonable enquiry, none of the Hua Yi Directors or their respective associates has any interest in a business which competes or is likely to compete with the business of the Solartech Group and the Hua Yi Group.

4. DIRECTORS' SERVICE CONTRACTS

Mr. Chow Kin Ming has entered into a service agreement with Solartech with no fixed period of employment commencing from 31 March 2007, subject to termination by either party on three months' notice. Pursuant to the service agreement, the monthly director's emoluments of Mr. Chow amount to HK\$150,000. The terms of the appointment were approved by the Solartech Board with reference to Mr. Chow's qualifications and experience.

In addition, Mr. Chow Kin Ming has entered into a service agreement with Hua Yi with no fixed period of employment commencing from 1 March 2007, subject to termination by either party on three months' notice. Pursuant to the service agreement, the monthly director's emoluments of Mr. Chow amount to HK\$150,000. The terms of the appointment were approved by the Hua Yi Board with reference to Mr. Chow's qualifications and experience.

Save as disclosed herein, none of the Solartech Directors and Hua Yi Directors has any existing or proposed service contracts with any respective members of the Solartech Group and Hua Yi Group, excluding contracts expiring or determinable by any respective members of the Solartech Group and Hua Yi Group within one year without payment of any compensation other than statutory compensation.

5. LITIGATION

As at the Latest Practicable Date, the Solartech Directors (so far as it relates to the Solartech Group) and the Hua Yi Directors (so far as it relates to the Hua Yi Group) are not aware of any litigation or claims of material importance pending or threatened against any respective members of the Solartech Group and the Hua Yi Group.

6. GENERAL

- (a) The company secretary of Solartech is Mr. Chow Kin Ming. Mr. Chow is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (b) The qualified accountant of Solartech is Ms. Chan Kam Yee. Ms. Chan is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (c) The company secretary of Hua Yi is Mr. Chow Kin Ming. Mr. Chow is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (d) The qualified accountant of Hua Yi is Ms. Chan Kam Yee. Ms. Chan is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (e) The registered office of both Solartech and Hua Yi is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (f) The English language text of this circular shall prevail over the Chinese language text.