



## 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)**

### ANNOUNCEMENT MADE PURSUANT TO RULE 13.09 OF THE LISTING RULES

This announcement is made pursuant to rule 13.09 of the Listing Rules.

#### **MOU IN RELATION TO THE PROPOSED ACQUISITION**

The Directors are pleased to announce that on 16 January 2008, the Company and the Proposed Sellers entered into the MOU in respect of the Proposed Acquisition by the Company. The Proposed Acquisition is subject to various conditions and the entering into of definitive legally binding documentation. However, the MOU constitutes the legally binding obligation on, inter alia, (i) the Proposed Sellers not to discuss or negotiate with other third parties in relation to any disposal of the Business; and (ii) the parties as to confidentiality for up to three years after termination of the MOU. The terms set out in the MOU are not definitive and are subject to further negotiations between the parties.

**The Proposed Acquisition may or may not proceed. Investors are reminded to exercise caution when dealing in the Company's shares.** Further announcement containing details of the Proposed Acquisition will be made in accordance with the Listing Rules if and when the Company proceeds with the Proposed Acquisition.

#### **MAY 2006 MOU**

Reference is also made to the announcements respectively dated 8 May 2006 and 29 November 2006 in respect of the May 2006 MOU in relation to the proposed acquisition by the Company of various entities that are involved in the cords manufacturing and sales business with manufacturing facilities located in Europe and the PRC. The Company announces that certain of the assets which are subject to May 2006 MOU are comprised in the Business and that discussions in respect of the proposed acquisition pursuant to the May 2006 MOU have been superseded by the MOU.

This announcement is made pursuant to rule 13.09 of the Listing Rules.

\* For identification purposes only

## **MOU IN RELATION TO THE PROPOSED ACQUISITION**

The Directors are pleased to announce that on 16 January 2008, the Company and the Proposed Sellers entered into the MOU in respect of the Proposed Acquisition by the Company.

### **Certain key terms of the MOU**

#### *Due Diligence*

After the execution of the MOU, the Company may conduct legal, financial and business due diligence on the Business. Following completion of the due diligence, the Company will inform the Proposed Sellers of the findings of the due diligence and in the event that the outcome of the due diligence findings is positive (which shall be determined by the Company in its sole discretion), the parties shall proceed to commence negotiations on the Proposed Acquisition.

#### *Conditions*

The obligation of the Proposed Sellers and the Company to enter into the definitive agreement for the Proposed Transaction and completion are conditional on, among other things, the following being satisfied or waived by the parties:

1. the reorganisation of the Business into a structure to be agreed by the parties;
2. the negotiation and settlement of the terms of the definitive sale and purchase agreement for the Proposed Acquisition; and
3. all the necessary corporate approvals in respect of the Proposed Acquisition being obtained.

#### *Standstill*

From the date of the MOU, subject to certain exceptions, the Proposed Sellers shall agreed not to transfer ownership nor assign any right in respect of tangible or intangible assets pertaining to the Business.

#### *Termination*

The MOU will terminate upon:

- (i) the Company having communicated in writing to the Proposed Sellers that the outcome of its due diligence findings is not positive; or
- (ii) the definitive sale and purchase agreement in respect of the Proposed Acquisition not having been executed by 18 April 2008 or any other date to be agreed between the parties.

#### *Exclusivity*

Subject to termination of the MOU, the Proposed Sellers shall not engage in any discussion or negotiation with any other party in relation to a sale, disposal or other transfer by any means of any of the Business.

### *Binding nature of the MOU*

The Proposed Acquisition is subject to various conditions and the entering into of definitive legally binding documentation. However, the MOU constitutes the legally binding obligation on, inter alia, (i) the Proposed Sellers in respect of the exclusivity provisions as stated in the paragraph “Exclusivity” in the above; and (ii) the parties as to confidentiality for up to three years after termination of the MOU.

The terms set out in the MOU are not definitive and are subject to further negotiations between the parties.

**The Proposed Acquisition may or may not proceed. Investors are reminded to exercise caution when dealing in the Company’s shares.** Further announcement containing details of the Proposed Acquisition will be made in accordance with all applicable requirements of the Listing Rules if and when the Company proceeds with the Proposed Acquisition.

### **MAY 2006 MOU**

Reference is also made to the announcements respectively dated 8 May 2006 and 29 November 2006 in respect of the May 2006 MOU in relation to the proposed acquisition by the Company of various entities that were involved in the cords manufacturing and sales business with manufacturing facilities located in Europe and the PRC. The Company announces that certain of the assets which were subject to May 2006 MOU are comprised in the Business and that discussions in respect of the proposed acquisition pursuant to the May 2006 MOU have been superseded by the MOU.

### **DEFINITIONS**

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

“Business”	certain businesses and assets of the Proposed Sellers including, among other things, the manufacture, sale, marketing and distribution of power cords, tangible assets (including equipment for bipolar rubber and PVC cords), approvals, authorisations and certifications that are required for the manufacture, sale, marketing or distribution of plugs
“Company”	Solartech International Holdings Limited, a company incorporated in Bermuda and whose shares are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Independent Third Party”	a third party independent of the Company and its connected persons, and not connected with the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates as defined under the Listing Rules

“May 2006 MOU”	the memorandum of understanding dated 4 May 2006 between the Company and an independent third party and the subject of the announcements issued by the Company respectively on 8 May 2006 and 29 November 2006
“MOU”	the memorandum of understanding dated 16 January 2008 between the Proposed Sellers and the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’ Republic of China
“Proposed Acquisition”	the proposed acquisition of the Business by the Company pursuant to the MOU
“Proposed Sellers”	various entities which are Independent Third Parties and are involved in the business of automatic production of cordsets in Europe with branch in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 16 January 2008

*As at the date of this announcement, the executive Directors are Mr. Chau Lai Him, Mr. Zhou Jin Hua, Mr. Liu Jin Rong and Mr. Chan Kwan Hung being the executive directors and Mr. Lo Wai Ming, Mr. Chung Kam Kwong and Mr. Lo Chao Ming being the independent non-executive directors.*