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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)

ANNOUNCEMENT AND RESUMPTION OF TRADING

The Board is pleased to announce that, on 4 May 2006, the Company has entered into a MOU with the Seller. Under the MOU, the parties have agreed to continue their negotiation in relation to the proposed acquisition by the Company of various entities which are involved in the cords manufacturing and sales business with manufacturing facilities located in Europe and The People's Republic of China. The business focuses on the production of rubber, PVC, textile and polyurethane cords, which are similar to that currently conducted by the Company. Products are sold by the Seller domestically in the European market and exported to international markets. The Company believes that the acquisition, if proceeded with, will enable the Company to expand its customer base, increase production capacity and tap into a top-tier market.

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

At the request of the Company, trading of the shares of the Company on the Stock Exchange was suspended from 9:31am on 4 May 2006 pending the release of this announcement. An application for the resumption of trading of the shares of the Company with effect from 9:30am on 9 May 2006 has been made with the Stock Exchange.

The board of directors (the **"Board"**) of Solartech International Holdings Limited (the **"Company"**) is pleased to announce that, on 4 May 2006, the Company has entered into a memorandum of understanding (the **"MOU"**) with an independent third party (the **"Seller"**). Under the MOU, the parties have agreed to continue their negotiation in relation to the proposed acquisition by the Company of various entities which are involved in the cords manufacturing and sales business with manufacturing facilities located in Europe and The People's Republic of China. The business focuses on the production of rubber, PVC, textile and polyurethane cords, which are similar to that currently conducted by the Company. Products are sold by the Seller domestically in the European market and exported to international markets. The Company believes that the acquisition, if proceeded with, will enable the Company to expand its customer base, increase production capacity and tap into a top-tier market. The Company is expected to proceed with conducting further due diligence on the business and negotiate the terms of the acquisition and envisages to reach a decision as to whether to proceed with the transaction in approximately 2 to 3 months.

If proceeded, the acquisition is likely to constitute a notifiable transaction of the Company.

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

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By the order of the Board
Solartech International Holdings Limited
Chau Lai Him

Chairman and Managing Director

Hong Kong, 8 May 2006

* For identification only

As at the date of this announcement, the executive directors of the Company are Mr. Chau Lai Him, Mr. Zhou Jin Hua, Mr. Lau Man Tak and Mr. Liu Jin Rong, and the independent non-executive directors of the Company are Mr. Lo Kao Cheng, Mr. Lo Wai Ming and Mr. Chung Kam Kwong.