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SOLARTECH INTERNATIONAL HOLDINGS LIMITED

星凱控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1166)

SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF 89.62% EQUITY INTEREST IN DONGGUAN XIN BAO FINE CHEMICAL CO., LTD.*

Reference is made to the announcement (the “**Announcement**”) of Solartech International Holdings Limited (the “**Company**”) dated 24 November 2020 in relation to the disposal of 89.62% equity interest in Dongguan Xin Bao Fine Chemical Co., Ltd.* (東莞新寶精化有限公司) (the “**Disposal**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Board hereby provides further information about the basis of determination of the consideration for the Disposal.

As disclosed in the Announcement, the consideration for the Disposal was RMB38,000,000 (equivalent to HK\$44,460,000). It was arrived at after arm’s length negotiations between the Vendor and the Purchaser and was determined with reference to (i) the net liability value of the Target Company as at 30 June 2020; (ii) 89.62% of the market value of the Land as appraised by an independent valuer (the “**Appraised Value**”), which is equivalent to approximately RMB36,880,342; and (iii) other factors as set out in the paragraph headed “Reasons for and Benefits of the Disposal” of the Announcement. The consideration for the Disposal represented a premium of approximately 3.0% over the Appraised Value, which is a commercial decision of the Vendor and the Purchaser after arm’s length negotiations.

* For identification purposes only

As completion of the Disposal is subject to the terms and conditions of the Equity Transfer Agreement, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

In this announcement, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of names or any descriptions in Chinese which are marked with “” is for identification purpose only.*

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

Hong Kong, 26 November 2020

As at the date of this announcement, the executive Directors are Mr. Chau Lai Him, Mr. Chau Chi Ho and Mr. Liu Dong Yang and the independent non-executive Directors are Mr. Chung Kam Kwong, Mr. Lo Wai Ming and Mr. Lo Chao Ming.