
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Solomon Systech (International) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other registered dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

晶門半導體有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2878)

PROPOSALS FOR
(1) DECLARATION OF FINAL DIVIDEND;
(2) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES;
(3) RE-ELECTION OF RETIRING DIRECTORS;
(4) RE-APPOINTMENT OF AUDITOR;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

A notice convening an Annual General Meeting of Solomon Systech (International) Limited to be held at Unit 607-613, 6/F Wireless Centre, No.3 Science Park East Avenue, Hong Kong Science Park, Shatin, N.T., Hong Kong on Wednesday, 22 June 2022 at 2:00 p.m. is set out on pages 22 to 25 of this circular. In the event you are not able to attend the Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time (i.e. by 20 June 2022 at 2:00 p.m.) appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to page 1 of this circular for the measures being taken to prevent and control the spread of the COVID-19 at the AGM, including but not limited to:

- (a) compulsory body temperature check;
- (b) compulsory wearing of surgical face mask;
- (c) maintaining a safe distance between seats; and
- (d) no provision of refreshments and beverages.

Any person who does not comply with the precautionary measures will be denied entry into or be required to leave the AGM venue. In light of the continuing risks posed by the COVID-19 and as part of the Company's control measures to safeguard the health and safety of the Shareholders, the Company strongly encourages the Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM in person.

CONTENTS

	<i>Page</i>
Precautionary measures for the AGM	1
Definitions	2
Letter from the Board	5
I. Introduction	6
II. Proposed Declaration of Final Dividend	6
III. General Mandates to Repurchase Shares and Issue New Shares	6
1. Share Repurchase Mandate	6
2. Share Issuance Mandate	7
IV. Re-election of the Retiring Directors	7
V. Re-appointment of Auditor	8
VI. Annual General Meeting and Proxy Arrangement	8
VII. Closure of Register of Members	8
VIII. Responsibility Statement	9
IX. Recommendation	9
X. General Information	9
Appendix A — Explanatory Statement on the Share Repurchase Mandate	10
Appendix B — Details of the Retiring Directors Proposed to be Re-elected at Annual General Meeting	14
Notice of Annual General Meeting	22

PRECAUTIONARY MEASURES FOR THE AGM

The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to us. To prevent and control the spread of the COVID-19, the Company will implement the following at the AGM as part of the control measures to safeguard the health and safety of our attending Shareholders, staff and stakeholders of the Company:

- (i) compulsory body temperature checks will be conducted for every attendee at the entrance of the AGM venue. Any person who has a body temperature of over 37.5 degree Celsius or is subject to the mandatory quarantine order imposed by the Hong Kong government will be denied entry into or be required to leave the AGM venue;
- (ii) each attendee must wear a surgical facemask throughout the AGM and inside the AGM venue. Please note that no masks will be provided at the AGM venue and attendees should bring and wear their own masks;
- (iii) the Company will maintain a safe distance between seats; and
- (iv) no refreshments and beverages will be served.

In addition, the Company would like to remind all attending Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. The Company strongly encourages the Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy and to return the proxy forms to the Company's branch share registrar and transfer agent in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.

In the event of any regulation imposed by the Hong Kong government due to COVID-19 requiring a change of the date or place of the AGM, the Company will publish an announcement on the websites of both the Company (www.solomon-systech.com) and the Stock Exchange (www.hkexnews.hk) to notify the Shareholders of the revised arrangements or an adjournment of the AGM.

The Company will publish a further announcement on its corporate website (www.solomon-systech.com) and the Stock Exchange's website (www.hkexnews.hk) to notify the Shareholders of the date, time and location of the adjourned meeting (if applicable).

DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“2013 Share Option Scheme”	the share option scheme approved by the Shareholders for adoption at the annual general meeting held on 28 May 2013
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 607-613, 6/F Wireless Centre, No.3 Science Park East Avenue, Hong Kong Science Park, Shatin, N.T., Hong Kong or any adjournment thereof, on Wednesday, 22 June 2022 at 2:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 22 to 25 of this circular
“Articles”	the articles of association of the Company
“Board”	the board of Directors of the Company
“business day”	any day (other than a Saturday and a Sunday) on which the Stock Exchange is open for the business of trading in securities
“CEC”	China Electronics Corporation# 中國電子信息產業集團有限公司, a state-owned information technology conglomerate under the administration of the central government of the PRC, a substantial shareholder of the Company through its interests in Huada
“close associates”	has the same meaning as ascribed to it under the Listing Rules
“Company”	Solomon Systech (International) Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Exchange’s Website”	the official website of Hong Kong Exchanges and Clearing Limited and/or the website “HKExnews”
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Huada”	Huada Semiconductors Co. Ltd# 華大半導體有限公司, a PRC company wholly-owned by CEC with limited liability to consolidate all integrated circuits businesses under CEC group, is a substantial shareholder of the Company
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix 10 to the Listing Rules
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company or, if there has been any subsequent sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Issuance Mandate”	as defined in the section headed “Share Issuance Mandate” of the Letter from the Board
“Share Repurchase Mandate”	as defined in the section headed “Share Repurchase Mandate” of the Letter from the Board
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules

DEFINITIONS

“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission in Hong Kong, as amended from time to time
“US\$”	the United States Dollars, the lawful currency of the United States of America

[#] *for identification purposes only*

LETTER FROM THE BOARD



**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

晶門半導體有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2878)

Directors:

Ma Yuchuan* (*Chairman*)
Wang Wah Chi, Raymond (*Chief Executive Officer*)
Wang Hui*
Kang Jian*
Leung Heung Ying**
Sheu Wei Fu**
Chan Philip Ching Ho**

* *Non-executive Director*

** *Independent Non-executive Director*

Registered office:

2nd Floor
Century Yard
Cricket Square
P. O. Box 902
Grand Cayman
KY1-1103
Cayman Islands

Principal place of business

in Hong Kong:

Unit 607-613, 6/F Wireless Centre
No.3, Science Park East Avenue
Hong Kong Science Park
Shatin, New Territories
Hong Kong

27 April 2022

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) DECLARATION OF FINAL DIVIDEND;
(2) GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES;
(3) RE-ELECTION OF RETIRING DIRECTORS;
(4) RE-APPOINTMENT OF AUDITOR;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the declaration of final dividend; (ii) the granting to the Directors of the Share Repurchase Mandate and the Share Issuance Mandate to repurchase Shares and to issue new Shares respectively; (iii) the extension of the Share Issuance Mandate by adding to it the total number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate; (iv) the re-election of the retiring Directors; and (v) the re-appointment of the auditor of the Company.

II. PROPOSED DECLARATION OF FINAL DIVIDEND

Reference is made to the annual results announcement for the year ended 31 December 2021 of the Company dated 23 March 2022. The Board has recommended the payment of a final dividend of 1.0 HK cent per Share for the year ended 31 December 2021 to Shareholders whose names appear on the register of members of the Company on Wednesday, 13 July 2022, subject to Shareholders' approval at the Annual General Meeting. The proposed final dividend, if approved, will be paid on Wednesday, 27 July 2022. The Shares will be traded ex-dividend on Wednesday, 6 July 2022.

III. GENERAL MANDATES TO REPURCHASE SHARES AND ISSUE NEW SHARES

1. Share Repurchase Mandate

At the annual general meeting of the Company held on 27 May 2021, a general mandate was granted to the Directors to repurchase Shares of up to 10% of the total number of the Shares in issue as at the date of passing of the relevant resolution. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant of a new general mandate to the Directors to purchase Shares on the Stock Exchange of a total number of up to 10% of the total number of the Shares in issue as at the date of passing of such resolution at the Annual General Meeting (the "Share Repurchase Mandate").

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix A to this circular.

LETTER FROM THE BOARD

2. Share Issuance Mandate

At the annual general meeting of the Company held on 27 May 2021, a general mandate was granted to the Directors to issue Shares not exceeding 10% of the total number of the Shares in issue as at the date of the passing of the relevant resolution. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant of a new general mandate to the Directors to allot, issue or deal with additional Shares of a total number of up to 20% of the total number of the Shares in issue as at the date of passing of such resolution at the Annual General Meeting (the “Share Issuance Mandate”). An ordinary resolution to extend the Share Issuance Mandate by adding the total number of the Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Share Issuance Mandate.

IV. RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 95 of the Articles, Dr. Kang Jian appointed as an addition to the Board, will retire at the Annual General Meeting and being eligible, will offer himself for re-election at the Annual General Meeting.

In accordance with Article 112 of the Articles, Mr. Wang Wah Chi, Raymond, Mr. Ma Yuchuan and Mr. Leung Heung Ying, Directors of the Company, will retire by rotation at the Annual General Meeting. Mr. Wang Wah Chi, Raymond, Mr. Ma Yuchuan and Mr. Leung Heung Ying being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s Board Diversity Policy and Director Nomination Policy and the Company’s corporate strategy, and the independence of all Independent Non-executive Directors. The Company considers that the retiring Independent Non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix B to this circular.

LETTER FROM THE BOARD

V. RE-APPOINTMENT OF AUDITOR

Ernst & Young will retire as the auditor of the Company at the Annual General Meeting and, being eligible, will offer itself for re-appointment.

The Board proposes to re-appoint Ernst & Young as the auditor of the Company to hold office until the next annual general meeting of the Company.

VI. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 22 to 25 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the Share Repurchase Mandate and the Share Issuance Mandate, the extension of the Share Issuance Mandate by addition thereto of the total number of Shares repurchased pursuant to the Share Repurchase Mandate, the re-election of the retiring Directors and the appointment of auditors.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the voting on all resolutions of the Annual General Meeting will be conducted by way of poll. An announcement on the poll results will be published on the Exchange's Website (www.hkexnews.hk) and the Company's website (www.solomon-systech.com) after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the Exchange's Website (www.hkexnews.hk) and the Company's website (www.solomon-systech.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjourned meeting thereof should you so wish.

VII. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Friday, 17 June 2022 to Wednesday, 22 June 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the forthcoming Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be deposited with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 16 June 2022. The record day for ascertaining the entitlement of the shareholders to attend the Annual General Meeting of the Company is Wednesday, 22 June 2022.

LETTER FROM THE BOARD

The register of members of the Company will be closed for the purpose of ascertaining the entitlement of Shareholders to the proposed final dividend at the Annual General Meeting from Friday, 8 July 2022 to Wednesday, 13 July 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the proposed final dividend (subject to the approval of Shareholders at the Annual General Meeting), all transfers documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 7 July 2022. The record day of ascertaining the entitlement of the shareholders to receive the 2021 final dividend is Wednesday, 13 July 2022.

VIII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

IX. RECOMMENDATION

The Directors are of the opinion that (i) the declaration of final dividend; (ii) the proposed granting of the Share Repurchase Mandate, the proposed granting/extension of the Share Issuance Mandate; (iii) the proposed re-election of the retiring Directors; and (iv) the proposed appointment of auditors are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

X. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in Appendix A (Explanatory Statement on the Share Repurchase Mandate) and Appendix B (Details of the retiring Directors proposed to be re-elected at Annual General Meeting) to this circular.

Yours faithfully,

For and on behalf of

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

WANG Wah Chi, Raymond

Chief Executive Officer

The following is the explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the Share Repurchase Mandate.

(1) Share Capital

As at the Latest Practicable Date, the Company had 2,494,352,351 Shares in issue. Subject to the passing of ordinary resolution No. 5 set out in the notice of the Annual General Meeting and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total number of 249,435,235 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

(2) Reasons for Share Repurchases

The Directors believe that the proposed granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the grant of the Share Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

(3) Funding of Share Repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose (e.g. distributable reserves) in accordance with the Articles, the applicable laws of the Cayman Islands and any other applicable laws, as the case may be.

(4) Impact of Share Repurchases

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2021) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(5) Market Price of Shares

The highest and lowest prices at which Shares of the Company have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practical Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	0.870	0.460
May	0.990	0.680
June	1.450	0.710
July	1.210	0.850
August	1.280	0.860
September	0.970	0.700
October	0.850	0.630
November	0.960	0.680
December	0.830	0.680
2022		
January	0.930	0.730
February	0.820	0.700
March	0.740	0.480
April (up to the Latest Practicable Date)	0.620	0.540

(6) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

(7) Takeovers Code

If as a result of a repurchase of the Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and hereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

(a) Directors' interests

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive in the shares and underlying shares of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

				Number of ordinary shares in the Company as at the Latest Practicable Date	
	Position	Shares	Share Options	Total	% of the issued Share of the Company
Independent Non-executive Directors					
Leung Heung Ying	Long	2,400,000	800,000	3,200,000	0.13%
Sheu Wei Fu	Long	1,600,000	1,600,000	3,200,000	0.13%
Chan Philip Ching Ho	Long	–	800,000	800,000	0.03%
Non-executive Directors					
Ma Yuchuan	Long	–	–	–	–
Wang Hui	Long	–	–	–	–
Kang Jian	Long	–	–	–	–
Executive Director					
Wang Wah Chi, Raymond	Long	5,600,000	3,000,000	8,600,000	0.34%

The register of substantial shareholders required to be kept by the Company under section 336 of Part XV of the SFO shows that as at the Latest Practicable Date, the Company had been notified of the following substantial shareholders' interests and short positions in the shares or underlying shares of the Company, being interests of 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and the chief executive of the Company.

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE REPURCHASE MANDATE

Shareholder	Capacity	Position	Shares	Number of ordinary shares in the Company as at the Latest Practicable Date			% of the issued Share of the Company
				Share options	Total		
Huada	Beneficial owner	Long	706,066,000	–	706,066,000		28.31%
CEC	Interest of controlled corporation	Long	706,066,000	–	706,066,000		28.31%

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, in the event that the Directors exercise the proposed Share Repurchase Mandate in full, the shareholding of Huada/CEC would be increased to approximately 31.45% of the total number of Shares of the Company in issue. The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Board will ensure that the Company will maintain a 25% public float as required under Rule 8.08 of the Listing Rules.

(8) Repurchase of Shares made by the Company

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

APPENDIX B DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING

Stated below are the details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting:

Mr. Wang Wah Chi, Raymond (“Mr. Wang”), aged 55

Positions and Experience

Mr. Wang was appointed as an Executive Director on 20 March 2019. He is also Chairman of the Investment Committee under the Board.

Mr. Wang is a chartered engineer with over 30 years’ experience in the semiconductor industry. He graduated from the City University of Hong Kong with a bachelor’s degree in electronic engineering. He received a master of business administration degree from the Victoria University of Wellington and a master of arts degree from the Chinese University of Hong Kong. Mr. Wang is currently the Chief Executive Office of the Group was the Corporate Vice President and Head of Advanced Display Business of the Group. He joined Solomon Systech Limited (“SSL”, a wholly-owned major operating subsidiary of the Company) in 2000 as System Manager until 2003 and rejoined the Group in 2006 as Business Operations Director. Prior to joining SSL in 2000 and during the period from 2003 to 2006, Mr. Wang had held senior management positions in Motorola Inc. and worked in Hong Kong, the United States of America and Canada. He had also held the position of the Asia Pacific Head of RFWaves Ltd. in Israel.

Save as disclosed aforesaid, Mr. Wang did not hold any directorships in the companies of which the shares are listed on any securities market in Hong Kong or overseas in the last three years.

Length of Service

Mr. Wang has a service contract with the Company which was renewed in 2021 for one year to 30 June 2022. Upon the passing of the resolution in the AGM re-electing Mr. Wang as an Executive Director, the Company will extend the service contract with Mr. Wang for one year to 30 June 2023. Mr. Wang is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Articles.

Relationships

Save as disclosed in this circular, Mr. Wang does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interest in Shares

As at the Latest Practicable Date, Mr. Wang is taken to be interested in 5,600,000 shares and 3,000,000 share options (represent approximately 0.34% of the total issued share capital of the Company) in the Company within the meaning of Part XV of the SFO.

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Director's Emoluments

Mr. Wang has entered into an employment contract as the Chief Executive Officer with SSL in accordance with the Hong Kong Employment Ordinance. Mr. Wang has no fixed term of service with the Group. For the year ended 31 December 2021, Mr. Wang received emoluments of approximately US\$743,000 comprising basic salary, allowances (medical and transportation), 13th month bonus and special bonus, and also 3,000,000 share options under the 2013 Share Option Scheme of the Company. Mr. Wang is also entitled to further benefits from his employment with the Group, including leave pay, group insurance, health care subsidy, pension contribution scheme and share options under the 2013 Share Option Scheme of the Company. Such emoluments have been reviewed and approved by the Remuneration Committee with reference to market terms, his duties and responsibilities and the Group's remuneration policy.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

Saved as disclosed above, the Board is not aware of any other matters in relation to the election of Mr. Wang as an Executive Director that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to any of the requirements under Rules 13.51(2) (h) to 13.51(2)(v) of the Listing Rules.

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Mr. Ma Yuchuan (“Mr. Ma”), aged 57

Positions and Experience

Mr. Ma was appointed as a Non-executive Director on 14 March 2018 and was appointed as Chairman of the Board on 28 May 2019. He is also the chairman of the Nomination Committee and a member of investment committee under the board.

Mr. Ma graduated from Zhejiang University with a bachelor’s degree in semiconductor physics and devices, he has extensive experience in semiconductor industry.

Mr. Ma is currently a director of Shanghai Anlogic Infotech Co., Ltd. (a company listed on the Shanghai Stock Exchange with stock code: 688107), a director of Beijing Huada Zhibao Electronic System Co., Ltd. and APS (Shanghai) Ltd, and Mr. Ma is also the vice general manager of Huada Semiconductors Co. Ltd., a substantial shareholder of the Company.

From 1993 to 2020, Mr. Ma had also been a director of China Electronics Huada Technology Company Limited (a company listed on the Hong Kong Stock Exchange with stock code: 0085), Hua Hong Semiconductor Limited (a company listed on the Stock Exchange with stock code: 1347), a director of Shanghai Belling Co., Ltd. (a company listed on the Shanghai Stock Exchange with stock code: 600171), CEC Huada International Co., Ltd., Shanghai Huahong (Group) Co., Ltd., Nanjing Micro One Electronics Inc. and Chengdu Sino Microelectronics Technology Co., Ltd. He had also held various positions in CEC: division chief of project division of business management department, division chief of integrated circuit & components division of corporate development department, vice general manager of integrated circuit business group and deputy general manager of planning, science & technology department.

Saved as disclosed aforesaid, Mr. Ma did not hold any directorships in the companies of which the shares are listed on any securities market in Hong Kong or overseas in the last three years.

Length of Service

Mr. Ma has a service contract with the Company which was renewed in 2021 for one year to 30 June 2022. Upon the passing of the resolution in the AGM re-electing Mr. Ma as a Non-executive Director, the Company will extend the service contract with Mr. Ma for one year to 30 June 2023. Mr. Ma is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Articles.

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Relationships

Saved as disclosed in this circular, Mr. Ma does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interest in Shares

As at the Latest Practicable Date, Mr. Ma does not hold any interests in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Director's Emoluments

Mr. Ma is not entitled to any fees as a Non-executive Director, Chairman of the Board, and the Chairman of the Company's Nomination Committee, and a member of Investment Committee and for his attendance to the Company's Board/Board Committees' meetings. For the year ended 31 December 2021, Mr. Ma did not receive any emoluments.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

Saved as disclosed above, the Board is not aware of any other matters in relation to the election of Mr. Ma as a Non-executive Director that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

APPENDIX B DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING

Dr. Kang Jian (“Dr. Kang”), aged 40

Positions and Experience

Dr. Kang was appointed as a Non-executive Director since 3 November 2021. He is also a member of the Audit Committee under the Board.

Dr. Kang is a holder of a doctor of philosophy in computer science granted by De Montfort University in the United Kingdom and a master of business administration degree granted by China Europe International Business School in the PRC.

From January 2010 to May 2013, Dr. Kang worked at CCID Consulting Company Limited* (賽迪顧問股份有限公司) (a listed company on the Hong Kong Stock Exchange with stock code: 02176) and held various positions including a senior consultant and the general manager of its Shanghai branch company. From June 2013 to November 2014, he worked as the director (總監) of the Shanghai branch office of China Fortune Land Development Co., Ltd.* (華夏幸福基業股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code: 600340). In December 2014, Dr. Kang joined Huada Semiconductor Co., Ltd.* (華大半導體有限公司, a substantial shareholder of the Company, “Huada”) and served as a professional manager at the investment management department of Huada until July 2018. Since July 2018, Dr. Kang has been the head of the investment management department of Huada. Moreover, Dr. Kang has been serving as a director of CEC Huada International Co., Ltd.* (中電華大國際有限公司) and of China Electronics Corporation (BVI) Holdings Company Limited (中國電子集團BVI控股有限公司) since January 2020, and a director of CEC Capital Management Co., Ltd.* (中電資本管理有限責任公司) since August 2021. Since 21 October 2021, Dr. Kang has further been appointed as director of Shanghai Belling Co., Ltd. (上海貝嶺股份有限公司) (a company listed on the Shanghai Stock Exchange with stock code: 600171). In addition, Dr. Kang served as a supervisor of Beijing Huada Zhibao Electronic System Co., Ltd.* (北京華大智寶電子系統有限公司) from August 2017 to August 2021 and a supervisor of China Electronics Smart Card Co., Ltd.* (中電智能卡有限責任公司) from November 2017 to August 2021. Dr. Kang also served as a supervisor of Advanced Semiconductor Manufacturing Corporation Limited (上海先進半導體製造股份有限公司) from April 2018 to September 2019 and a director of GTA Semiconductor Co., Ltd.* (上海積塔半導體有限公司) from January 2019 to May 2019.

Save as disclosed aforesaid, Dr. Kang did not hold any directorships in the companies of which the shares are listed on any securities market in Hong Kong or overseas in the last three years.

Length of Service

Dr. Kang has entered into a service contract with the Company effective from 3 November 2021 until 30 June 2022. Upon the passing of the resolution in the AGM re-electing Dr. Kang as a Non-executive Director, the Company will extend the service contract with Dr. Kang for one year to 30 June 2023. Dr. Kang is subject to retirement by rotation and is eligible for re-election at the annual general meeting of the Company in accordance with the Articles.

* For identification purposes only

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Relationships

Saved as disclosed in this circular, Dr. Kang does not have any other relationships with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Interest in Shares

As at the Latest Practicable Date, Dr. Kang does not hold any interests in the Shares or underlying Shares of the Company within the meaning of Part XV of the SFO.

Director's Emoluments

Dr. Kang is not entitled to any fees as a Non-executive Director, a member of the Company's Audit Committee and for his attendance to the Company's Board/Board Committees' meetings. For the year ended 31 December 2021, Dr. Kang did not receive any emoluments.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

Saved as disclosed above, the Board is not aware of any other matters in relation to the election of Dr. Kang as a Non-executive Director that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to any of the requirements under Rules 13.51(2) (h) to 13.51(2)(v) of the Listing Rules.

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Mr. Leung Heung Ying (“Mr. Leung”), aged 58

Positions and Experience

Mr. Leung has been an Independent Non-executive Director since October 2014. He is the chairman of the Audit Committee of the Company. He is also a member of the Investment Committee, Nomination Committee and Remuneration Committee of the Company.

Mr. Leung graduated from the University of Bradford, United Kingdom with a bachelor’s degree. He received a master’s degree from London School of Economics and Political Science of University of London, United Kingdom and a bachelor’s degree in Chinese Laws from Peking University, the PRC. Mr. Leung is a fellow member of the Institute of Chartered Accountants in England and Wales, and the Hong Kong Institute of Certified Public Accountants as well as committee member of Hong Kong Securities Professionals Association.

Mr. Leung is the Member of the Listing Review Committee of Stock Exchange (appointed in July 2020), managing director and founder of Proton Capital Limited. He is a Committee member of the Political Consultative Committee of Wu Hua County of Guangdong Province and is a member of the Public Affairs Forum of the HKSAR Government.

Saved as disclosed in this circular, Mr. Leung did not hold any directorships in the companies of which the shares were listed on the Stock Exchange or overseas in the last three years.

Length of Service

Mr. Leung has a service contract with the Company which was renewed in 2021 for one year to 30 June 2022. Upon the passing of the resolution in the AGM re-electing Mr. Leung as an Independent Non-executive Director, the Company will extend the service contract with Mr. Leung for one year to 30 June 2023. Mr. Leung is subject to retirement by rotation and is eligible for re-election at the annual general meeting in accordance with the Articles.

Relationships

Save as disclosed in this circular, Mr. Leung does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Interest in Shares

As at the Latest Practicable Date, Mr. Leung is taken to be interested in 2,400,000 shares and 800,000 share options (represent approximately 0.13% of the total number of the issued Share in the Company) in the Company within the meaning of Part XV of the SFO.

APPENDIX B	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT ANNUAL GENERAL MEETING
-------------------	--

Director's Emoluments

Mr. Leung is entitled to US\$17,000 basic fee per annum plus other fees as an Independent Non-executive Director of the Board, the chairman of the Audit Committee, a member of the Company's Remuneration Committee, Nomination Committee and, Investment Committee and for his attendance to the Company's Board/Board Committees' meetings. For the year ended 31 December 2021, Mr. Leung received emoluments of US\$32,000 equivalent and also 800,000 share options under the 2013 Share Option Scheme of the Company. Such emoluments were reviewed and approved by the Executive Directors with reference to market terms, his duties and responsibilities, the Group's remuneration policy and the Articles.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

Saved as disclosed above, the Board is not aware of any other matters in relation to the election of Mr. Leung as an Independent Non-executive Director that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



**SOLOMON
SYSTECH**

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

晶門半導體有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2878)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Solomon Systech (International) Limited (the “**Company**”) will be held at 2:00 p.m. on Wednesday, 22 June 2022 at Unit 607-613, 6/F Wireless Centre, No. 3 Science Park East Avenue, Hong Kong Science Park, Shatin, N.T., Hong Kong for the following purposes:

Capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company unless otherwise specified.

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements, the reports of the directors and the independent auditor of the Company for the year ended 31 December 2021.
2. To approve the final dividend for the year ended 31 December 2021.
3. To re-elect the retiring directors and to authorise the board of directors to fix the Directors’ remuneration.
4. To consider the re-appointment of independent auditor of the Company and to authorise the board of directors to fix their remuneration.
5. **“THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined under paragraph (c) below) all the powers of the Company to purchase its shares in accordance with all applicable laws, rules and regulations;
 - (b) the total number of Shares to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of the Shares as at the date of passing of this resolution and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined under paragraph (d) below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined under paragraph (d) below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of the Shares in issue on the date of passing of this resolution and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

7. “**THAT** conditional upon the passing of resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the total number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the total number of Shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of the Shares of the Company in issue as at the date of passing of this resolution.”

On behalf of the Board
SOLOMON SYSTECH (INTERNATIONAL) LIMITED
WANG Wah Chi, Raymond
Chief Executive Officer

Hong Kong, 27 April 2022

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the Board comprises (a) Executive Director – Mr. Wang Wah Chi, Raymond (Chief Executive Officer); (b) Non-executive Directors – Mr. Ma Yuchuan (Chairman), Mr. Wang Hui and Dr. Kang Jian; and (c) Independent Non-executive Directors – Mr. Leung Heung Ying, Mr. Sheu Wei Fu and Dr. Chan Philip Ching Ho.

Notes:

- (a) Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
- (b) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting (i.e. by 20 June 2022 at 2:00 p.m.) or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (c) For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Friday, 17 June 2022 to Wednesday, 22 June 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. Hong Kong time on Thursday, 16 June 2022.
- (d) All resolutions at the meeting will be taken by poll (except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.solomon-systech.com) in accordance with the Listing Rules.
- (e) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.solomon-systech.com).

This circular, in both English and Chinese versions (the “Circular”), is available on the Company’s website at www.solomon-systech.com (the “Company Website”).

Shareholders who have chosen or have been deemed consented to receive the corporate communications (as defined in the Listing Rules) of the Company via the Company Website and for any reason have difficulty in receiving or gaining access to the Circular posted on the Company Website may obtain a printed copy of the Circular free of charge by sending a request to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong or by sending an email to the Company’s Hong Kong Share Registrar at **solomon2878-ecom@hk.tricorglobal.com**.

Shareholders may at any time change their choice of the means of receipt (either in printed form or via the Company Website) of corporate communications by any of the above methods.

(This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular shall prevail)