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Solargiga Energy

Solargiga Energy Holdings Limited

陽光能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 757)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by the Company.

The Company noted that certain media reports in respect of the shareholdings of Mr. Hsu You Yuan, Mr. Chiao Ping Hai and Mr. Chong Kin Ngai, each of whom is a director of the Company, appear to be inconsistent with the information shown in the disclosure of interests notices filed with the Company and the Stock Exchange and have given the wrong impression that these directors had actively traded in the shares of the Company for their own account. The Company considers it appropriate to issue this announcement to clarify their shareholdings in the Company.

This is a voluntary announcement made by Solargiga Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

Reference is made to the disclosure of interests notices (the “**DI Notices**”) submitted by Mr. Hsu You Yuan (“**Mr. Hsu**”), Mr. Chiao Ping Hai (“**Mr. Chiao**”) and Mr. Chong Kin Ngai (“**Mr. Chong**”), each of whom is a director of the Company, and filed with the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 2 January 2009 and 6 January 2009 respectively.

The Company noted that certain media reports in respect of the shareholdings of Mr. Hsu, Mr. Chiao and Mr. Chong appear to be inconsistent with the information shown in the DI notices filed with the Company and the Stock Exchange and have given the wrong impression that these directors had actively traded in the shares of the Company (“**Shares**”) for their own account. The Company considers it appropriate to issue this announcement to clarify their shareholdings in the Company.

As disclosed in the prospectus of the Company dated 17 March 2008 (the “**Prospectus**”),

- (a) Solar Technology Investment (Cayman) Corp. (“**Solartech**”), a subsidiary of the Company, allotted and issued 126,114,814 shares to certain directors, senior management members and employees of the Group and the two consultants to the Company as

compensation and incentive to their past and future contributions to the Group. Mr. Tan Wenhua (“**Mr. Tan**”), Mr. Hsu, Mr. Chiao and Mr. Chong paid the purchase price for such shares for themselves and on behalf of the relevant senior management members and employees of the Group. In particular, Mr. Tan paid the purchase price for the shares beneficially owned by Ms. Zhang Liming (a director of the Company (“**Ms. Zhang**”). Mr. Hsu paid for the shares beneficially owned by a consultant to the Company (“**Consultant A**”) and Mr. Chiao paid for the shares beneficially owned by the other consultant to the Company (“**Consultant B**”, together with Consultant A, the “**Consultants**”);

- (b) after completion of the Company’s corporate reorganisation and the Listing, all the issued shares of Solartech were transferred to and held by the Company which in turn issued an aggregate of 57,486,500 Shares to the relevant directors, senior management members and employees of the Group and the Consultants, of which 22,672,500 Shares were held by Mr. Tan, Mr. Hsu, Mr. Chiao and Mr. Chong directly and 34,814,000 Shares were registered in the name of Mr. Chong as the trustee of Ms. Zhang, certain senior management members and employees of the Group and the Consultants; and
- (c) (i) Mr. Tan, Mr. Hsu and Mr. Chiao, who are directors of the Company, have security interests in an aggregate of 34,814,000 Shares held by Ms. Zhang, the relevant senior management members and employees of the Group and the Consultants, as the case may be, pursuant to the share charges granted by them to secure (1) their obligations to pay the purchase price for their Shares due to the relevant directors as aforesaid who had paid the purchase price on their behalf, and (2) their obligations to comply with the relevant regulatory requirements to which they are subject (if any). Such security interests had been disclosed in the Prospectus and in the DI Notices filed with the Company and the Stock Exchange after the listing of the Company on 31 March 2008 (the “**Listing**”); and
- (ii) Mr. Tan, Mr. Hsu and Mr. Chiao have the options to buy back the Shares beneficially owned by the relevant directors, senior management members and employees of the Group and the Consultants if they cease to be employed or engaged by the Group within four years after the Listing. Such interests were disclosed in the Prospectus and in the DI Notices filed with the Company and the Stock Exchange after the Listing.

Based on the DI Notices filed and confirmed by Mr. Hsu, Mr. Chiao and Mr. Chong, since the Listing they have not traded in or disposed of any of their interests in the Company. Since the Listing, their respective shareholdings in the Company are as follows:

Mr. Hsu’s shareholding

| Nature of interest | Number of Shares interested | Approximate percentage of shareholding |
|---------------------------------------|------------------------------------|---|
| <i>Upon the Listing</i> | | |
| Personal interest | 9,293,500 | 0.55% |
| Security interest (<i>Note 1</i>) | 5,840,500 | 0.35% |
| Interest in options (<i>Note 1</i>) | 19,219,500 | 1.14% |

| Nature of interest | Number of Shares interested | Approximate percentage of shareholding |
|--|------------------------------------|---|
| <i>As at 29 December 2008</i> | | |
| Personal interest (Note 2) | 9,703,750 | 0.57% |
| Security interest (Note 2) | 5,293,500 | 0.31% |
| Interest in options (Note 2) | 18,672,500 | 1.10% |
| Interest in the employee options granted under the share option scheme of the Company adopted on 27 February 2008 (the “ Share Option Scheme ”) | 12,310,000 | 0.73% |

As at 2 January 2009

| | | |
|--|------------|-------|
| Personal interest (Note 3) | 11,972,875 | 0.71% |
| Security interest (Note 3) | 2,591,000 | 0.15% |
| Interest in options (Note 3) | 15,970,000 | 0.94% |
| Interest in the employee options granted under the Share Option Scheme | 12,310,000 | 0.73% |

Mr. Chiao’s shareholding

| Nature of interest | Number of Shares interested | Approximate percentage of shareholding |
|--|------------------------------------|---|
| <i>Upon the Listing</i> | | |
| Personal interest | 3,135,500 | 0.19% |
| Security interest (Note 1) | 11,621,000 | 0.69% |
| Interest in options (Note 1) | 31,158,000 | 1.84% |
| <i>As at 29 December 2009</i> | | |
| Personal interest | 3,135,500 | 0.19% |
| Security interest (Note 1) | 11,621,000 | 0.69% |
| Interest in options (Note 1) | 31,158,000 | 1.84% |
| Interest in the employee options granted under the Share Option Scheme | 7,000,000 | 0.41% |
| <i>As at 2 January 2009</i> | | |
| Personal interest | 3,135,500 | 0.19% |
| Security interest (Note 4) | 10,994,000 | 0.65% |
| Interest in options (Note 4) | 30,531,000 | 1.81% |
| Interest in the employee options granted under the Share Option Scheme | 7,000,000 | 0.41% |

| Nature of interest | Number of Shares interested | Approximate percentage of shareholding |
|--|-----------------------------|--|
| Mr. Chong's shareholding | | |
| <i>Upon the Listing</i> | | |
| Corporate interest (Note 5) | 101,709,500 | 6.02% |
| Personal interest | 1,254,500 | 0.07% |
| Trustee's interest (Note 6) | 34,814,000 | 2.06% |
| <i>As at 18 April 2008</i> | | |
| Corporate interest (Note 7) | 98,464,500 | 5.83% |
| Personal interest | 1,254,500 | 0.07% |
| Trustee's interest (Note 6) | 34,814,000 | 2.06% |
| <i>As at 29 December 2008</i> | | |
| Corporate interest (Note 7) | 98,464,500 | 5.83% |
| Personal interest | 1,254,500 | 0.07% |
| Trustee's interest (Note 6) | 34,814,000 | 2.06% |
| Interest in the employee options granted under the Share Option Scheme | 1,000,000 | 0.06% |
| <i>As at 2 January 2009</i> | | |
| Corporate interest (Note 7) | 98,464,500 | 5.83% |
| Personal interest | 1,254,500 | 0.07% |
| Trustee's interest (Note 8) | 33,978,000 | 2.01% |
| Interest in the employee options granted under the Share Option Scheme | 1,000,000 | 0.06% |

Notes:

- As disclosed in the Prospectus, Mr. Hsu and Mr. Chiao are entitled to buy back the Shares beneficially owned by certain senior management members and employees of the Group and the relevant Consultants in the event that any of them cease to be employed or engaged by the Group within four years after the date of the Listing. These directors also have security interests in the Shares beneficially owned by the relevant senior management members, employees and the relevant Consultants pursuant to the share charges granted by them to secure their obligations to pay for the purchase price of the Shares and their obligations to comply with the relevant regulatory requirements to which they are subject (if any).
- A former employee ceased to be employed by the Group and did not pay the purchase price for the 547,000 Shares due to Mr. Hsu who had paid the purchase price on his behalf as mentioned in paragraph (a) above. On 29 December 2008, Mr. Hsu and the said former employee entered into an agreement whereby it was agreed that (i) the said former employee agreed to transfer 410,250 Shares to Mr. Hsu, (ii) the share charge in respect of 547,000 Shares granted by the said former employee was released and (iii) Mr. Hsu's option to buy back 547,000 Shares from the said former employee was cancelled.

3. On 2 January 2009:
 - (a) three former employees ceased to be employed by the Group and did not pay the purchase price for an aggregate of 2,493,500 Shares due to Mr. Hsu who had paid the purchase price on their behalf as mentioned in paragraph (a) above. Mr. Hsu and the former employees entered into agreements whereby it was agreed that (i) the said former employees agreed to transfer an aggregate of 2,269,125 Shares to Mr. Hsu, (ii) the share charges in respect of 2,493,500 Shares granted by the said former employees were released and (iii) Mr. Hsu's options to buy back 2,493,500 Shares from the said former employees were cancelled; and
 - (b) Mr. Hsu entered into an agreement with Consultant A whereby it was agreed that (i) the share charge in respect of the 209,000 Shares granted in favour of Mr. Hsu to secure Consultant A's payment obligations was released as he had paid the purchase price for the 209,000 Shares due to Mr. Hsu as mentioned in paragraph (a) above and (ii) Mr. Hsu's option to buy back the 209,000 Shares from Consultant A was cancelled.
4. On 2 January 2009, Mr. Chiao entered into an agreement with Consultant B whereby it was agreed that (i) the share charge in respect of the 627,000 Shares granted in favour of Mr. Chiao to secure Consultant B's payment obligations was released as he had paid the purchase price for the 627,000 Shares due to Mr. Chiao as mentioned in paragraph (a) above and (ii) Mr. Chiao's option to buy back the 627,000 Shares from Consultant B was cancelled.
5. Upon the Listing, 84,674,000 Shares were held by Prosperity Electric Corporation ("PEC") and 17,035,500 Shares were held by Prosperity Lamps & Components Limited ("PLC"). As at the date of this announcement, PLC is held as to 20% by PEC, as to 45% by Leigh Company Limited, as to 30% by Sam Wai Keung, a director of Jinzhou Huachang Silicon Materials Co., Ltd. and as to 5% by an independent third party. Both PEC and Leigh Company Limited are wholly owned by Mr. Chong.
6. 34,814,000 Shares were held by Mr. Chong as the trustee of Ms. Zhang, certain senior management members and employees of the Group and the Consultants. Mr. Chong was entrusted to exercise voting rights and hold the dividends and other distributions (if any) made in respect of the relevant Shares held by them.
7. On 18 April 2008, upon the partial exercise of the over-allotment options by BNP Paribas Capital (Asia Pacific) Limited (the sponsor and global coordinator of the Company in respect of the Listing), 82,617,000 Shares are held by PEC and 15,847,500 Shares are held by PLC.
8. As stated in notes 3(b) and 4 above, on 2 January 2009, the legal title to an aggregate of 836,000 Shares was transferred to the Consultants, and Mr. Chong ceased to be the trustee of the Consultants in respect of an aggregate of the 836,000 Shares upon such transfers.

By order of the Board
Solargiga Energy Holdings Limited
Hsu You Yuan
Executive Director

Hong Kong, 29 January 2009

As at the date of this announcement, the executive directors of the Company are Mr. Tan Wenhua, Mr. Hsu You Yuan, Ms. Zhang Liming; the non-executive directors of the Company are Mr. Chiao Ping Hai and Mr. Chong Kin Ngai; and the independent non-executive directors of the Company are Mr. Wong Wing Kuen, Albert, Ms. Fu Shuangye, Dr. Lin Wen and Mr. Zhang Chun.