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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)**

**GENERAL DISCLOSURE UNDER RULE 13.09 OF THE LISTING RULES  
FILING OF THE APPLICATION FOR THE PROPOSED OFFERING  
AND LISTING OF TAIWAN DEPOSITARY RECEIPTS**

This announcement is made in compliance with the disclosure requirement under Rule 13.09 of the Listing Rules.

The Board is pleased to announce that on 15 October 2009, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing not more than 100 million New Shares to be issued by the Company, on the Taiwan Stock Exchange. The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

It is expected that the New Shares will be issued under the General Mandate and therefore no Shareholders' approval will be required.

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

**The TDR Issue may or may not proceed. Shareholders and potential investors are recommended to exercise caution when dealing in the Shares.**

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

## THE TDR ISSUE

The Board is pleased to announce that on 15 October 2009, the Company made an application to the Taiwan Stock Exchange and the Taiwan Central Bank for the offering and listing of TDR, representing not more than 100 million New Shares to be issued by the Company, on the Taiwan Stock Exchange. The TDR Issue is also subject to approval by the Taiwan Securities and Futures Bureau, application for which will be made after the grant of approvals by the Taiwan Stock Exchange and the Taiwan Central Bank. The Company will also apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

It is currently proposed that the TDR will be offered to the public in Taiwan by way of offer for subscription by the public in Taiwan and to selected institutional and individual investors in Taiwan. None of the TDR will be offered to the general public in Hong Kong nor will they be placed to any connected persons of the Group.

Details in respect of the TDR Issue, including the size and structure of the TDR Issue, the number of New Shares to be issued by the Company pursuant to the TDR Issue and the expected timetable, have not yet been finalised as at the date of this announcement. A further announcement will be made by the Company upon finalisation of the structure of the TDR Issue.

The preliminary structure of the TDR Issue is proposed as follows:

- Type of securities to be issued** : TDR, to be issued by a depositary bank in Taiwan evidencing the entitlement of the holders of TDR to the Shares that are held in custody by a custodian bank.
- Number of TDR to be issued** : Not more than 100 million units of TDR, each representing one Share. The final number of TDR to be issued and offered and the structure of the TDR Issue shall be subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board and the underwriters of the TDR Issue.
- Number of Shares to which the TDR Issue relates** : Not more than 100 million Shares, which are expected to be allotted and issued by the Company under the General Mandate.

The 100 million New Shares represent (i) approximately 5.86% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 5.53% of the enlarged issued share capital of the Company following the issue of the 100 million New Shares under the TDR Issue.

The New Shares will rank *pari passu* in all respects with the Shares then in issue on the date of issue of the New Shares.

- Basis for determining the issue price of the TDR** : Subject to the requirements in Rule 13.36(5) of the Listing Rules, the issue price of the TDR will be agreed in writing between the Company and Taiwan Polaris Securities Corporation Limited, the underwriter for the TDR Issue and is expected to be determined with reference to the then prevailing market conditions, the closing price of the Shares, the industry conditions at the time of the TDR Issue, the performance of the Company as well as and conditions for future development of the Company's business.
- Use of proceeds** : The Board intends to use the net proceeds from the TDR Issue for purchasing machinery and equipment for the expansion of the Group's production capacity and for repayment of bank loan. The issue price for the TDR Issue, if proceeded with, and the amount of funds to be raised from the TDR Issue have not been fixed as at the date of this announcement.
- Listing applications** : Application has been made to the Taiwan Stock Exchange and the Taiwan Central Bank for the listing of the TDR on the Taiwan Stock Exchange. Application will also be made to the Taiwan Securities and Futures Bureau for the TDR Issue after the grant of approvals thereof by the Taiwan Stock Exchange and the Taiwan Central Bank.
- An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the New Shares on the Hong Kong Stock Exchange.

## **REASONS FOR AND BENEFITS OF THE TDR ISSUE**

The Directors are of the view that the TDR Issue will be the most appropriate method of raising extra funds for the Group's future business development having taken into account the Group's current working capital requirement, the prevailing market conditions and the cost involved in the TDR Issue when compared with other means of fund raising exercises.

The Directors believe that the TDR is an attractive alternative for international investors, particularly potential investors in Taiwan, to invest and deal in the Shares which will broaden and diversify the shareholder base of the Company and provide an additional fund-raising platform for the Group. The Directors consider that the TDR Issue will also increase the public awareness of the Group and will promote the Group's corporate image internationally, which will enhance its competitiveness and be beneficial to the Group's overall business development and is therefore in the best interests of the Shareholders as a whole.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the TDR Issue based on the assumption that an aggregate of 100 million New Shares will be issued pursuant to the TDR Issue and there will be no change in the Company's share capital prior to the completion of the TDR Issue:

Name of Shareholder	As at the date of this announcement		Immediately after completion of the TDR Issue	
	No. of Shares	%	No. of Shares	%
Mr. Tan Wenhua ( <i>Note 1</i> )	475,761,999	27.87	475,761,999	26.33
Mr. Hsu You Yuan ( <i>Notes 2 and 4</i> )	16,306,552	0.96	16,306,552	0.90
Mr. Chiao Ping Hai ( <i>Note 3</i> )	6,135,500	0.36	6,135,500	0.34
Mr. Chong Kin Ngai ( <i>Note 4</i> )	116,366,290	6.82	116,366,290	6.44
Wafer Works Corp. ( <i>Note 5</i> )	360,358,822	21.10	360,358,822	19.94
TDR holders	–	–	100,000,000	5.53
Other public Shareholders	732,166,262	42.89	732,166,262	40.52
<b>Total:</b>	<b><u>1,707,095,425</u></b>	<b><u>100.00</u></b>	<b><u>1,807,095,425</u></b>	<b><u>100.00</u></b>

Notes:

- Mr. Tan Wenhua is an executive Director.
- Mr. Hsu You Yuan is an executive Director.
- Mr. Chiao Ping Hai is an executive Director.
- 64,140,040 Shares are held by Prosperity Electric Corporation (“**PEC**”) and 15,935,500 Shares are 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 and as to 35% by independent third parties. Both PEC and Leigh Company Limited are wholly owned by Mr. Chong King Ngai, a non-executive Director (“**Mr. Chong**”). Mr. Chong also beneficially owns 2,449,500 Shares. In addition, Mr. Chong holds 33,841,250 Shares as trustee on behalf of certain Directors, members of the senior management and staff of the Group. Of the said 33,841,250 Shares, 3,133,500 Shares are held by Mr. Chong in trust for Ms. Zhang Liming, an executive Director and 2,659,375 Shares are held by Mr. Chong in trust for Mr. Hsu You Yuan, an executive Director.
- Wafer Works Corp. is a substantial Shareholder for the purpose for the Listing Rules. Wafer Works Corp. holds 360,358,822 Shares through its wholly owned subsidiary, Wafer Works Investment Corp.

As at the date of this announcement, save for the 21,169,163 outstanding share options granted under the Share Option Scheme, the Company has no outstanding derivatives, options, warrants, convertible rights or other similar rights which are convertible or exchangeable into Shares.

## GENERAL MANDATE

By a resolution of the Shareholders passed at the annual general meeting held on 12 June 2009, the Company granted the General Mandate to the Directors to allot and issue up to 339,996,300 Shares, being 20% of the aggregate nominal value of the share capital of the Company in issue as at 12 June 2009, to be extended by an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company during the relevant period of the General Mandate (if any). The Directors have not exercised the power to allot and issue any new Shares pursuant to the General Mandate granted. It is expected that the New Shares will be issued under the General Mandate and thus no Shareholders' approval is required in respect of the issue of New Shares for the purpose of the TDR Issue.

## CAPITAL RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not carried out any capital raising activities during the 12 months immediately preceding the date of this announcement.

## GENERAL

As at the date of this announcement, the Board has not yet finalised whether and when the TDR Issue will be launched. There is also no assurance that the approval for the TDR Issue and the listing of the TDR on the Taiwan Stock Exchange by the Relevant Authorities and/or the listing of the New Shares on the Hong Kong Stock Exchange will be granted. Further announcement will be made by the Company in relation to the TDR Issue as and when appropriate.

**The TDR Issue may or may not proceed. Shareholders and potential investors are recommended to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms will have the following meaning:

“Board”	board of Directors
“Company”	Solargiga Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Hong Kong Stock Exchange
“connected persons”	has the meaning as ascribed to it under the Listing Rules
“Directors”	directors of the Company

“General Mandate”	the general mandate granted to the Directors to allot and issue Shares pursuant to a resolution of the Shareholders of the Company passed at the annual general meeting of the Company held on 12 June 2009
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“New Shares”	new Shares proposed to be issued as underlying securities for the purpose of the TDR Issue
“Relevant Authorities”	the Taiwan Central Bank, the Taiwan Stock Exchange and the Taiwan Securities and Futures Bureau
“Shareholders”	holders of Shares
“Share Option Scheme”	the share option scheme of the Company adopted by the Company on 27 February 2008
“Share(s)”	ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Taiwan Central Bank”	The Central Bank of the Republic of China
“Taiwan Securities and Futures Bureau”	Taiwan Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau
“Taiwan Stock Exchange”	Taiwan Stock Exchange Corporation
“TDR”	the Taiwan depository receipts proposed to be issued by a depository bank in Taiwan pursuant to the TDR Issue

“TDR Issue”

the proposed issue of not more than 100 million units of TDR (comprising not more than 100 million New Shares as underlying securities), subject to the approval by the Relevant Authorities and the adjustment (if any) by the Board

“%”

per cent.

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

Hong Kong, 15 October 2009

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