

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.*



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)**

### **ANNOUNCEMENT**

#### **DISCLOSURE PURSUANT TO RULE 13.13 OF THE LISTING RULES**

The Board announced that on 24 March 2011, Wealthy Rise, a wholly-owned subsidiary of the Company, entered into the Supply Agreement with the Supplier pursuant to which Wealthy Rise will purchase and the Supplier will supply polysilicon to Wealthy Rise at set prices from the date of the first shipment in 2013 for a continuous period of eight years thereafter. Wealthy Rise is required to pay to the Supplier the Deposit in the aggregate amount of approximately US\$34,500,000 (equivalent to approximately HK\$267,375,000) on and subject to the terms of the Supply Agreement.

The Deposit payable to the Supplier will constitute an advance to an entity under Rule 13.13 of the Listing Rules and will exceed 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Pursuant to Rule 13.13 of the Listing Rules, a general disclosure obligation arises where any of the relevant advance to an entity exceeds 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Accordingly, the Company is under a general obligation to disclose the details of the Deposit pursuant to Rules 13.13 and 13.15 of the Listing Rules.

The Board announced that on 24 March 2011, Wealthy Rise, a wholly-owned subsidiary of the Company, entered into the Supply Agreement with the Supplier pursuant to which Wealthy Rise will purchase and the Supplier will supply to Wealthy Rise polysilicon and Wealthy Rise will be required to pay the Deposit to the Supplier in the amount of approximately US\$34,500,000 (equivalent to approximately HK\$267,375,000). The principal terms of the Supply Agreement are set out below.

## PRINCIPAL TERMS OF THE SUPPLY AGREEMENT

Date: 24 March 2011

Purchaser: Wealthy Rise, an indirect wholly-owned subsidiary of the Company

Supplier: Hemlock Semiconductor Pte. Ltd

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Supplier and its ultimate beneficial owners are independent of the Company and its connected persons (as defined under the Listing Rules).

Terms:

- (a) Pursuant to the Supply Agreement, Wealthy Rise will purchase and the Supplier will supply polysilicon, a key material to the Group's products, to Wealthy Rise, with the first shipment in 2013 and the remainder over an eight-year period at set prices that will decline throughout the term of the Supply Agreement.
- (b) The term of the Supply Agreement shall commence from 24 March 2011 to 31 December 2020 and may be extended at the Supplier's discretion up to 29 June 2021.
- (c) Wealthy Rise is required to pay the Supplier the Deposit in the amount of approximately US\$34,500,000 (equivalent to approximately HK\$267,375,000) which was arrived at after arm's length negotiation between Wealthy Rise and the Supplier. The Deposit is payable by Wealthy Rise as follows:
  - (i) Wealthy Rise is required to pay the Supplier a cash deposit totaling approximately US\$34,500,000 (equivalent to approximately HK\$267,375,000), as a prepayment for future product deliveries and the Deposit must be paid in full on or before 11 March 2013.
  - (ii) The Deposit is interest-free and unsecured.
- (d) The Supplier will apply the Deposit as credit against the purchase price of the products to be delivered to Wealthy Rise in the eight-year period beginning from 2013 and ending 31 December 2020 during the subsistence of the Supply Agreement, such that the Deposit will have been fully set off against the purchase price payable by Wealthy Rise for the polysilicon to be delivered by the Supplier during the eight-year period.

In the event that the Supplier is in default of its obligations under the Supply Agreement, the board of directors of Wealthy Rise may terminate the Supply Agreement and take all reasonable steps to request the Supplier to repay the Deposit less the purchase price payable by Wealthy Rise for the materials supplied to the Group, without interest.

The terms of the Supply Agreement were arrived at after arm's length negotiations between Wealthy Rise and the Supplier. The Directors (including independent non-executive Directors) consider that the terms of the Supply Agreement and the payment of the Deposit are on normal commercial, in the ordinary course of the Group's business, fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE GROUP**

The Group is one of the leading manufacturers of monocrystalline silicon ingots, measured in terms of production output and sales in the People's Republic of China. The Group is principally engaged in (a) trading and manufacturing of monocrystalline and multicrystalline silicon solar ingots and wafers; (b) processing of silicon solar ingots and wafers; (c) upgrading and trading of polysilicon; (d) production and sales of monocrystalline photovoltaic cells; (e) production and sales of monocrystalline and multicrystalline photovoltaic modules; and (f) design and installation of photovoltaic systems.

## **INFORMATION OF THE SUPPLIER**

The Supplier, a company established in Singapore, is a company included within Hemlock Semiconductor Group and is a provider of polysilicon used in the manufacturing of solar cells and modules headquartered in Singapore. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Supplier and its ultimate beneficial owners are independent of the Company and its connected persons (as defined under the Listing Rules).

## **LISTING RULES IMPLICATIONS**

The Deposit payable to the Supplier will constitute an advance to an entity under Rule 13.13 of the Listing Rules and will exceed 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Pursuant to Rule 13.13 of the Listing Rules, a general disclosure obligation arises where any of the relevant advance to an entity exceeds 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Accordingly, the Company is under a general obligation to disclose the details of the Deposit pursuant to Rules 13.13 and 13.15 of the Listing Rules.

## DEFINITION

“Board”	the 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 Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Deposit”	an amount of approximately US\$34,500,000 (equivalent to approximately HK\$267,375,000) payable by Wealthy Rise to the Supplier on and subject to the terms of the Supply Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplier”	Hemlock Semiconductor Pte. Ltd, a company established in Singapore and included within Hemlock Semiconductor Group and, is established to manufacture and sell polysilicon
“Supply Agreement”	the supply agreement dated 24 March 2011 between Wealthy Rise and the Supplier in respect of the sale and purchase of polysilicon
“US\$”	United States dollars, the lawful currency of the United States of America
“Wealthy Rise”	Wealthy Rise International Limited (鉅升國際有限公司), a company incorporated in Hong Kong with limited liability on 21 June 2007, is an indirect wholly owned subsidiary of the Company

*For the purpose of this announcement, the exchange rate of US\$1.00=HK\$7.75 has been used for currency conversions. This is for the purpose of illustration only and does not constitute a representation that any amounts in HK\$ or US\$ have been, could have been or may be converted at such rate or any other exchange rate.*

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

Hong Kong, 24 March 2011

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