

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, 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 Prospectus.

Capitalised terms used in this cover shall have same meanings as those defined in this Prospectus.

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult a licensed securities dealer, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents together with the documents specified in the paragraph headed "12. Documents delivered to the Registrar" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance. The SFC and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of the Prospectus Documents.



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)

**OPEN OFFER OF 498,260,094 OFFER SHARES ON
THE BASIS OF ONE OFFER SHARE
FOR EVERY FIVE EXISTING SHARES HELD ON
THE RECORD DATE**

Underwriter
Kingston Bailey Limited

The Latest Acceptance Date and payment for the Offer Shares is at 4:00 p.m. on Thursday, 14 March 2013 or such other time as may be agreed between the Company and the Underwriter. The procedures for application of and payment for the Offer Shares are set out on pages 10 to 15 of this Prospectus.

The Open Offer is conditional upon, inter alia, the fulfillment of the conditions set out under the section headed "Letter from the Board – Underwriting Arrangement for the Open Offer – Conditions of the Open Offer" in this Prospectus. If the Underwriter terminates the Underwriting Agreement or if the conditions to the Underwriting Agreement have not been fulfilled as set out in the sections headed "Letter from the Board – Underwriting Arrangement for the Open Offer – Conditions of the Open Offer" and "Letter from the Board – Underwriting Arrangement for the Open Offer – Termination of the Underwriting Agreement" on pages 16 to 18 of this Prospectus, the Open Offer will not proceed. Shareholders should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they are recommended to consult their professional adviser.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Tuesday, 19 February 2013 and that dealings in the Shares may take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other persons dealing in the Shares will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholder or other persons contemplating dealings in the Shares are recommended to consult their professional advisers.

26 February 2013

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2013

Record Date Monday, 25 February

Register of members of the Company re-opens Tuesday, 26 February

Despatch of the Prospectus Documents Tuesday, 26 February

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement of the Company dated Tuesday, 15 January 2013 relating to, among other things, the Open Offer
“Application Form”	the form of application for use by the Qualifying Shareholders to apply for the Offer Shares
“Board”	the board of the Directors
“Business Day”	a day (excluding Saturdays, Sundays or public holidays) on which the Stock Exchange is generally open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Solargiga Energy Holdings Limited (Stock Code: 757), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Conditions Precedent”	the conditions precedent set out in the section headed “Letter from the Board — Underwriting Arrangement For the Open Offer — Conditions of the Open Offer” of this Prospectus
“Director(s)”	director(s) of the Company
“EAF(s)”	the excess application form for additional Offer Shares, pursuant to which the Qualifying Shareholders may apply for the Offer Shares in excess of such Shareholders’ entitlement under the Open Offer
“First Open Offer”	the issue by way of an open offer 249,130,047 offer shares by the Company on the basis of one offer share for every nine existing shares held on 23 November 2012 at the subscription price of HK\$0.375 per offer share

DEFINITIONS

“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party”	the party and its ultimate beneficial owner(s) are, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, third parties independent of the Company and its connected persons
“Last Trading Day”	Tuesday, 15 January 2013, being the last full trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Acceptance Date”	Thursday, 14 March 2013, or such other date as the Underwriter may agree in writing with the Company, being the latest date which application for the Offer Shares may be validly accepted as described in this Prospectus
“Latest Practicable Date”	Wednesday, 20 February 2013, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	4:00 p.m. on Friday, 15 March 2013 or such other date as the Underwriter may agree with the Company in writing, being the latest time for the Underwriter to terminate the Underwriting Agreement
“MOPS”	Market Observation Post System maintained by the Taiwan Stock Exchange at http://mops.twse.com.tw
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) where the Directors, based on opinions provided by legal advisers, consider it unlawful or impracticable to offer the Offer Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

DEFINITIONS

“Offer Share(s)”	498,260,094 new Shares to be issued pursuant to the Open Offer
“Open Offer”	the issue by way of an open offer, subject to fulfillment of the Conditions Precedent, a total of 498,260,094 Offer Shares for subscription by the Qualifying Shareholders on the basis of one (1) Offer Share for every five (5) existing Shares held on the Record Date at the Subscription Price payable in full on application and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PRC”	the People’s Republic of China
“Prospectus”	this prospectus issued by the Company in relation to the Open Offer
“Prospectus Documents”	this Prospectus, the Application Form and the EAF
“Qualifying Shareholders”	Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Monday, 25 February 2013, the record date to determine entitlements to the Open Offer
“Registrar”	Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, being the branch registrar of the Company in Hong Kong
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

“Share Option Scheme”	the share option scheme of the Company adopted on 27 February 2008
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.51 per Offer Share at which the Offer Shares are proposed to be offered for subscription under the Open Offer
“Taiwan Central Bank”	The Central Bank of the Republic of China (Taiwan)
“Taiwan Stock Exchange”	Taiwan Stock Exchange Corporation
“TDR”	the Taiwan depository receipts, each unit of which representing one Share, issued by Mega International Commercial Bank Co., Ltd. and listed on the Taiwan Stock Exchange on 11 December 2009
“Underwriter”	Kingston Bailey Limited, which, to the best of the Directors’ information, knowledge and belief and having made reasonable enquiry, is owned by the Independent Third Parties
“Underwriting Agreement”	the underwriting agreement dated Tuesday, 15 January 2013 between the Company and the Underwriter in relation to the underwriting of the Underwritten Shares and other arrangements in respect of the Open Offer
“Underwritten Shares”	the Offer Shares that the Underwriter has agreed to subscribe or procure subscribers or sub-underwriters to subscribe for, which are not subscribed by the respective Qualifying Shareholders
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of PRC
“US\$”	United States dollar, the lawful currency of United States of America, and its overseas territories
“%”	per cent

*For the purpose of this Prospectus and for h,S HK\$ UnitedT*0.04Tcnc8.1(Pr)17.nlyof the54.8(1)*

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If, at any time prior to the Long Stop Date, one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which would in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (c) any adverse change in market conditions (including without limitation, any

TERMINATION OF THE UNDERWRITING AGREEMENT

- (f) any material breach of any of the warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter and which in the reasonable opinion of the Underwriter represents or is likely to represent a material and adverse change in the business, financial or trading position or prospectus of the Group as a whole or is otherwise likely to have a material and adverse effect on the Open Offer is materially adverse to the success of the Open Offer; or
- (g) the Company shall, after any matter or event referred to in the Underwriting Agreement has occurred or come to the Underwriter 's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Long Stop Date, to terminate the Underwriting Agreement.

Upon the giving of termination notice by the Underwriter, the obligations of all parties, subject to the Underwriting Agreement, shall terminate forthwith and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.



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The purpose of this Prospectus is to provide you with the details regarding the Open Offer, including procedures for application and payment and certain financial and other information in respect of the Group.

OPEN OFFER

Issue statistics

Basis of the Open Offer:	one (1) Offer Share for every five (5) Shares held on the Record Date
Number of existing Shares in issue as at the Latest Practicable Date:	2,491,300,472 Shares
Number of Offer Shares:	498,260,094 Offer Shares (assuming no new Shares are issued and no Shares are repurchased by the Company on or before the Record Date)
Subscription Price:	HK\$0.51 per Offer Share
Underwriting arrangement:	Fully underwritten by the Underwriter
Enlarged issued share capital of the Company upon completion of the Open Offer:	2,989,560,566 Shares
Fund raised before expenses:	Approximately HK\$254 million

The number of 498,260,094 Offer Shares to be issued pursuant to the terms of the Open Offer represents approximately 20.00% of the existing issued share capital of the Company and approximately 16.67% of the enlarged issued share capital of the Company immediately upon completion of the Open Offer.

LETTER FROM THE BOARD

The Subscription Price

The Subscription Price for the Offer Shares is HK\$0.51 per Offer Share, payable in full on application.

The Subscription Price represents:

- (i) a discount of approximately 12.07% to the closing price of HK\$0.580 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 15.84% to the average closing price of HK\$0.606 per Share for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 14% to the average closing price of HK\$0.593 per Share for the ten consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 7.49% to the unaudited consolidated net tangible assets per Share as at 30 June 2012 of RMB0.551 (approximately HK\$0.676), which is calculated based on 2,491,300,472 Shares in issue as at 30 June 2012.

The Subscription Price was arrived at after due consideration by the Board with reference to, among other things, the prevailing market price of the Shares and the financial needs of the Company. The Group will apply the entire net proceeds to repay its current outstanding interest-bearing bank loans. In view of the recent financial condition of the Group as mentioned under the section headed "Reasons for the Open Offer and use of proceeds" in this Prospectus, the Directors (including the independent non-executive Directors) consider that the proposed discount of the Subscription Price is appropriate. Each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same price in proportion to his/her/its existing shareholding in the Company. The Directors (including the independent non-executive Directors) consider the terms of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Offer Shares

The Offer Shares, when fully-paid, shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the Offer Shares.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, Shareholders must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder.

LETTER FROM THE BOARD

Application for excess Offer Shares

The Application Form and the EAF will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to accept the Offer Shares as shown therein subject to payment in full by 4:00 p.m. on the Latest Acceptance Date.

Qualifying Shareholders shall be entitled to apply for excess Offer Shares by completing the EAFs and lodging the same with a separate remittance for the excess Offer Shares being applied with Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on the Latest Acceptance Date.

The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis on the following principles:

- (1) preference will be given to applications for less than a board lot of Offer Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings; and
- (2) subject to availability of excess Offer Shares after allocation under principle (1) above, the excess Offer Shares will be allotted to Qualifying Shareholders who have applied for excess Offer Shares on pro-rata basis with reference to their number of excess Offer Shares applied for.

Fractional entitlements to the Offer Shares

The Company will not allot fractions of Offer Shares. All fractions of Offer Shares will be aggregated and made available for excess application or underwritten by the Underwriter if the Open Offer is under-subscribed.

PROCEDURES FOR APPLICATION AND PAYMENT

Application for Offer Shares

The Application Form is enclosed with this Prospectus (only applicable to those Qualifying Shareholders) which entitles the Qualifying Shareholders to whom it is addressed to apply for the number of Offer Shares as shown therein subject to payment in full by the Latest Acceptance Date. Qualifying Shareholders should note that they may apply for any number of Offer Shares assured only up to the number set out in the Application Form.

If the Qualifying Shareholders wish to apply for all the Offer Shares offered to them as specified in the Application Form or wish to apply for any number less than their assured entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have applied with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's

LETTER FROM THE BOARD

Road East, Wanchai, Hong Kong by no later than 4:00 p.m. on Thursday, 14 March 2013. All remittances must be made in Hong Kong dollars and cheques must be drawn on an account with, or banker 's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "SOLARGIGA ENERGY HOLDINGS LIMITED — OPEN OFFER" and crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, by no later than 4:00 p.m. on Thursday, 14 March 2013, the assured entitlements under the Open Offer and all rights in relation thereto shall be deemed to have been declined and will be cancelled.

Application for excess Offer Shares

An EAF is enclosed with this Prospectus which allows the Qualifying Shareholders to apply for Offer Shares in excess of their own assured allotments under the Application Forms but applications so lodged are not assured of being allocated any Shares in excess of those in their assured allotments. Applications for excess Offer Shares should be made in accordance with the instructions printed thereon, by completing the EAFs and attaching a separate remittance for the full amount payable in respect of the excess Offer Shares being applied and lodged with the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Thursday, 14 March 2013. All remittance(s) must be made in Hong Kong dollars by cheques drawn on an account with, or by a bank cashier order issued by, a licensed bank in Hong Kong and made payable to "SOLARGIGA ENERGY HOLDINGS LIMITED — EXCESS APPLICATION" and crossed "Account Payee Only".

The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis on the following principles:

- (1) preference will be given to applications for less than a board lot of Offer Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings; and
- (2) subject to availability of excess Offer Shares after allocation under principle (1) above, the excess Offer Shares will be allotted to Qualifying Shareholders who have applied for excess Offer Shares on pro-rata basis with reference to their number of excess Offer Shares applied for.

Shareholders or potential investors should note that the number of excess Offer Shares which may be allocated to them may be different from the number of excess Offer Shares applied. Shareholders whose Shares are held by nominee companies should note that the Directors will regard a nominee company as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders whose Shares are registered in the name of a nominee company should note the aforesaid arrangement in relation to the application for excess Offer Shares. Shareholders and investors should

LETTER FROM THE BOARD

consult their professional advisers if they are in any doubt as to whether and how they should register their shareholding and apply for the excess Offer Shares. The branch share registrar of the Company will notify the Qualifying Shareholders of any allotment of the excess Offer Shares made to them.

Qualifying Shareholders may apply using the EAFs for any entitlements of the Non-Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders by not later than 4:00 p.m. on Thursday, 14 March 2013. Any Offer Shares that are not taken up by the Qualifying Shareholders and not applied for by the Qualifying Shareholders under the excess application will be underwritten by the Underwriter pursuant to the Underwriting Agreement.

It should be noted that unless the duly completed and signed EAF(s), together with the appropriate remittance(s), have been lodged with the branch share registrar of the Company by not later than 4:00 p.m. on Thursday, 14 March 2013, the EAF(s) is/are liable to be rejected. The EAF(s) is/are for use only by the person(s) named therein and is not transferable.

All cheques or cashier orders will be presented for payment immediately following receipt and all interest earned on such application monies will be retained for the benefit of the Company. Any Application Form or EAF in respect of which the cheque or cashier order is dishonoured on first presentation is liable to be rejected, and in that event the relevant entitlements of the Qualifying Shareholders will be deemed to have been declined and will be cancelled.

The Application Form and the EAF are for the use by the persons named therein only and are not transferable. No receipt will be issued in respect of any application monies received.

Application for listing of the Offer Shares on the Stock Exchange

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong. Save as (i) the 102,883,301 units of TDR listed on the Taiwan Stock Exchange as at the Latest Practicable Date and each unit of TDR represents one Share; and (ii) the proposed application to the Taiwan Stock Exchange and the Taiwan Central Bank and/or other relevant authorities by the Company in relation to listing of additional units of TDR, representing not more than 20,576,660 Offer Shares to be issued by the Company (subject to the excess Offer Shares to be applied by the TDR holders under the EAFs), on the Taiwan Stock Exchange, none of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought. Relevant documents will be filed with the Taiwan Stock Exchange and the Taiwan Central Bank in accordance with the applicable laws and regulations of Taiwan.

LETTER FROM THE BOARD

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Offer Shares will have the same board lot size of 1,000 Shares per board lot.

Share certificates and refund cheques for the Open Offer

Subject to the fulfillment or waiver (as the case may be) of the conditions of the Open Offer, share certificates for all fully paid Offer Shares and refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares are expected to be sent by ordinary post to the Qualifying Shareholders who have accepted and applied for (where appropriate), and paid for the Offer Shares in accordance with the timetable at their own risk. If the Open Offer is terminated, refund cheques will be despatched in accordance with the timetable by ordinary post at the respective Qualifying Shareholders' own risk. Each Qualifying Shareholder will receive one share certificate for all allotted Offer Shares.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealing in the Offer Shares. It is emphasized that none of the Company, its Directors or any other parties involved in the Open Offer accepts responsibility for any tax effects or liabilities of holders of the Offer Shares resulting from the purchase, holding or disposal of, or dealing in the Offer Shares.

Stamp duty

Dealings in the Offer Shares which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty in Hong Kong.

Rights of Overseas Shareholders

This Prospectus will not be registered or filed under the securities legislation of any jurisdiction other than Hong Kong. This Prospectus will be provided to the Taiwan Stock Exchange and will be disclosed to TDR holders via the MOPS.

As at the Latest Practicable Date, the Company identified 6 Overseas Shareholders, details of which are as follows:

Country as shown in the register of members of the Company	Number of Overseas Shareholders in that country	Aggregate number of Shares held by the Overseas Shareholder(s)
Japan	1	17,750,500
PRC (<i>Note</i>)	3	278,228,915
Taiwan	1	2,290,177
British Virgin Islands	1	155,320,308

Note: Of the 3 Shareholders in the PRC, one of them is Mr. Tan Wenhua who holds 271,926,665 Shares registered in his own name.

In addition, as at the Latest Practicable Date, the Company listed 102,883,301 units of TDR on the Taiwan Stock Exchange and each unit of TDR represents one Share.

The Directors have, in compliance with Rule 13.36(2)(a) of the Listing Rules, made enquiries regarding the legal restrictions under the laws of Japan, the PRC, Taiwan and the British Virgin Islands (the “**Relevant Jurisdictions**”) and the requirements of the respective regulatory bodies or stock exchanges of the Relevant Jurisdictions with respect to the offer of Offer Shares and excess Offer Shares to such Overseas Shareholders. The Company has been advised by its legal advisers in the Relevant Jurisdictions that the Prospectus Documents would not be required to be registered or filed with any regulatory authorities or stock exchanges under the laws and regulations of the Relevant Jurisdictions and may be despatched to the Overseas Shareholders with registered addresses in the Relevant Jurisdictions without any restrictions.

Based on the respective advices from the legal advisers of the Relevant Jurisdictions, the Directors have decided to extend the Open Offer to the aforesaid Overseas Shareholders with registered addresses in the Relevant Jurisdictions and such Overseas Shareholders, together with the Shareholders with registered addresses in Hong Kong, are

connection therewith. Any acceptance of the offer of the Offer Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been fully complied with. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

As at the Latest Practicable Date, the Company listed 102,883,301 units of TDR on

LETTER FROM THE BOARD

Number of Underwritten Shares:	The Open Offer will be fully underwritten by the Underwriter and the number of Underwritten Shares is up to 497,084,894 Offer Shares (assuming no Qualifying Shareholder takes up any of the Offer Shares and the Underwriter takes up 1,175,200 Offer Shares that it is entitled to under the Open Offer). The Underwriter shall subscribe for 1,175,200 Offer Shares which it is entitled under the Open Offer (which for the avoidance of doubt bears no underwriting commission)
Commission:	1.0% of the aggregate Subscription Price of the Underwritten Shares actually taken up by the Underwriter (other than 1,175,200 Offer Shares that the Underwriter is entitled to take up under the Open Offer)

The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Company, the size of the Open Offer, and the current and expected market condition. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, save for the holding of 5,876,000 Shares, representing approximately 0.24% of the Shares in issue as at the Latest Practicable Date, the Underwriter, its ultimate beneficial owners and their respective associates are Independent Third Parties and not connected with the Company and its connected persons (as defined in the Listing Rules).

Any Offer Share not taken up by the Qualifying Shareholders and not applied for by the Qualifying Shareholders under the excess application will be underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement.

Upon completion of the Open Offer in accordance with the terms of the Underwriting Agreement, the public float requirement under the Listing Rules will be complied with.

Conditions of the Open Offer

The Open Offer is subject to the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms. The Open Offer is conditional upon the following Conditions Precedent being fulfilled:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar respectively of the Prospectus Documents (and all other documents required to be attached thereto) in accordance with the requirements under the Companies Ordinance and the Listing Rules;

- (b) the posting of the Prospectus Documents to the Qualifying Shareholders;
- (c) the Listing Committee of the Stock Exchange agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Offer Shares; and
- (d) compliance by the Company with all its obligations under the Underwriting Agreement.

In the event that any of the conditions has not been satisfied and/or waived (where applicable) in whole or in part by the Underwriter on or before the posting date of the Prospectus or such later date as the Underwriter and the Company may agree in writing all liabilities of the parties hereto shall cease and determine and no party shall have any claim against the other parties save for any antecedent breach of the Underwriting Agreement.

If the Underwriting Agreement is terminated, the Open Offer will not proceed.

The Board had not received any information or irrevocable undertaking from any substantial Shareholders of their intention to take up the Offer Shares to be offered to them under the Open Offer.

Termination of the Underwriting Agreement

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If, at any time prior to the Long Stop Date, one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which would in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it

(c) any adverse change in market conditions (including without limitation, any

of the Open Offer” and “Letter from the Board — Underwriting Arrangement For the Open Offer — Termination of the Underwriting Agreement” on pages 16 to 18 of this Prospectus, the Open Offer will not proceed. Shareholders should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they are recommended to consult their professional adviser.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Tuesday, 19 February 2013 and that dealings in the Shares may take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be Friday, 15 March 2013) will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating dealings in Shares are recommended to consult their professional advisers.

CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a summary of the change in the shareholding structure of the Company before and immediately after completion of the Open Offer.

Directors	As at the Latest Practicable Date		Immediately after the completion of Open Offer (assuming no Qualifying Shareholders, except for the Underwriter taking up its entitlement of 1,175,200 Offer Shares and 497,084,894 Underwritten Shares, would take up his/her/its entitlements under the Open Offer)		Immediately after the completion of Open Offer (assuming all Qualifying Shareholders shall take up his/her/its entitlements under the Open Offer)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Tan Wenhua <i>(note)</i>	683,944,751	27.45	683,944,751	22.88	820,733,700	27.45
Mr. Hsu You Yuan	13,861,346	0.56	13,861,346	0.46	16,633,615	0.56
Mr. Chiao Ping Hai	6,135,500	0.25	6,135,500	0.21	7,362,600	0.25
Ms. Zhang Liming	3,133,500	0.13	3,133,500	0.10	3,760,200	0.13
Underwriter	5,876,000	0.24	504,136,094	16.86	7,051,200	0.24
Other Public Shareholders (excluding the Underwriter)	1,778,349,375	71.37	1,778,349,375	59.49	2,134,019,251	71.37
Total	<u>2,491,300,472</u>	<u>100.00</u>	<u>2,989,560,566</u>	<u>100.00</u>	<u>2,989,560,566</u>	<u>100.00</u>

Note:

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is one of the leading manufacturers of monocrystalline silicon solar ingots, measured in terms of production output and sales, in the PRC. The Group is principally engaged in (i) manufacturing and sales of monocrystalline and multicrystalline silicon solar ingots and wafers; (ii) processing of silicon solar ingots and wafers; (iii) manufacturing and sales of photovoltaic cells and modules; and (iv) design and installation of photovoltaic systems.

The Group has encountered difficulties in its businesses and has suffered a significant deterioration in its financial performance since 2012. Based on the unaudited results of the Company for the six months ended 30 June 2012 as set out in the Company's interim report 2012, the Group recorded a loss attributable to Shareholders of approximately RMB685.5 million, as compared to a profit attributable to Shareholders of approximately RMB113.3 million in the corresponding period in 2011. As set out in the annual report of the Company for the year ended 31 December 2011, the Group recorded an audited profit attributable to Shareholders of approximately RMB44.2 million, as compared to an audited profit attributable to Shareholders of approximately RMB211.4 million for the year ended 31 December 2010.

In December 2012, the Company raised approximately HK\$89.2 million under the outstanding loans. As at 31 December 2012, the Group had borrowings amounting to approximately RMB1,813 million (which is equivalent to t.8(sc)-528.4(.8(ppr)17.9(oximately)-528.4(HK million (which is equivalent to HK\$83 million) which will be due and immediately repayable in March 2013. Upon repayment of the said US\$10.71 million, the Group will still have outstanding loans of approximately RMB1,730 million (which is equivalent to HK\$2,122 million). The Directors consider that the repayment of the outstanding loans by using its internal resources may have a negative effect on the Group's liquidity and working capital, which may in turn reduce the Group's flexibility in its business development. On the other hand, the Directors are o.8(f)-242.4(the)-242.4(view)-242.3(that)-242.4(r)17.9(epa by additional bank borrowings will increase the Group's overall gearing ratio and burden the Group with increased interest expenses, thereby exposing the Group to greater financial risk. Therefore, the Directors consider that it is in the interest of the Company to raise funds to repay the outstanding loans.

The Directors have considered other alternative fund raising methods such as

The estimated net proceeds from the Open Offer will be approximately HK\$250 million (after deducting the costs and expenses in relation to the Open Offer). The Group will apply the entire net proceeds to repay its current outstanding interest-bearing bank

The Group has gained a leading position in the mono-crystalline silicon solar ingot and wafer manufacturing industry in terms of technology, product quality and quantity. The products of the Group are the only mono-crystalline silicon solar ingots in the PRC to which national products exemption from quality surveillance inspection has been granted. The photovoltaic conversion efficiency of its monocrystalline silicon products is also higher than the industry average. Apartsr(le(nationat)-412P-typoof)etBo(.1(pr)17.9(odu,nat)-412e7oo

In order to survive in the current severe market situation, the Directors take the view that the Group has to be prudent and conservative in managing its financial arrangements to ensure it has sufficient capital to face on-going challenges. The Company intends to repay part of the Group's outstanding borrowings by the funds raised under the First Open Offer and the Open Offer so as to reduce its finance costs whilst maintaining a healthy level of liquidity and working capital, which will enable the Group to seize any suitable business opportunities when the market rebounds. Further, the Company may explore and seek to, subject to market conditions and definitive agreements having been entered into, raise equity financing by way of a placing, possibly up to US\$6 million before June 2013, to further strengthen the Group's liquidity and working capital. However, as of the Latest Practicable Date, there have been no discussions, negotiations or arrangements in respect of terms of and a timetable for the aforesaid fund raising exercise and no contracts or definitive agreements have been entered into in respect of such fund raising exercise.

Looking forwards, the Directors will adopt the following strategies and measures to retain customers and win new clients under the current down cycle:

1. Capital expenditure will be suspended in order to conserve cash and reduce cash outflows, save for the necessary investment in the research and development of products and the enhancement of the quality and efficiency;
2. Continue to maintain quality while actively seeking to balance the need for cost reduction in the current environment;
3. Improve the product mix, by increasing the sales portion of N-type products which provide higher and more efficient conversion efficiency than the traditional P-type products. The N-type products are mainly targeted to Japanese customers;
4. Co-operate with long term investors to construct solar energy power generation systems, minimising the cash outlay of the Group;
5. Tighten the credit control by focusing more on selected quality customers to build up long-term and steady sales. This also helps to establish long term steady market distribution channels; and
6. Impose stringent control of expenditure and increase the performance-based incentives awards for staff. Apart from reducing the administrative management fees, we will decrease the production and selling expenses and cost of overall operation and per unit production to enhance the overall profitability.

LETTER FROM THE BOARD

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Save for the First Open Offer, there has not been any fund raising exercise conducted by the Company in the past 12 months immediately preceding the Latest Practicable Date.

The net proceeds from the First Open Offer were approximately HK\$89.2 million and the Group has applied all such net proceeds to repay its outstanding interest-bearing bank loans.

LISTING RULES IMPLICATIONS

Since the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% (on its own or when aggregated with the First Open Offer) within the 12 month period immediately preceding the Announcement, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer itself is not subject to Shareholders' approval.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

Yours faithfully,
For and on behalf of the Board of
Solargiga Energy Holdings Limited
Tan Wenhua
Chairman and Executive Director

1. FINANCIAL INFORMATION

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2009, 2010 and 2011 are included in the annual reports of the Company for the years ended 31 December 2009 (pages 81 to 168), 2010 (pages 76 to 168), and 2011 (pages 76 to 172), respectively, which were published on 17 March 2010, 28 March 2011 and 29 March 2012 respectively, on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.solargiga.com).

The unaudited interim financial report of the Group for the six months ended 30

Contingent liabilities

As at the close of business on 31 December 2012, the Group did not have any contingent liabilities.

Disclaimers

Save as aforesaid above or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, at the close of business on 31 December 2012, the Group did not have any outstanding debt securities, bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptances credits, material hire purchase commitments, mortgages or charges, which are either guaranteed, unguaranteed, secured or unsecured.

Subsequent change of indebtedness

Save as disclosed above, the Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 December 2012, up to and including the Latest Practicable Date.

3. WORKING CAPITAL

In addition to the foregoing, the Company is actively exploring several measures to meet future working capital requirements such as additional equity fund raising, entering into longer-term bank borrowing or other borrowing arrangements and/or asset divestment.

The Directors are of the opinion that, after taking into account the cash flows generated from the operating activities, the financial resources presently available to the Group, the existing banking facilities available (and renewals thereof) and the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements and for the period up to twelve months from the date of this Prospectus in the absence of unforeseen circumstances.

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For illustrative purposes only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as if the Open Offer had completed on 30 June 2012.

1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets (the “Pro Forma Financial Information”) of the Group is prepared by the Directors to illustrate the effect of the proposed Open Offer on the consolidated net tangible assets of the Group as if the Open Offer had been completed on 30 June 2012.

The unaudited Pro Forma Financial Information of the Group has been prepared for illustrative purpose only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group had the Open Offer been completed as at 30 June 2012 or at any future date.

The unaudited Pro Forma Financial Information of the Group is prepared based on the unaudited consolidated net tangible assets of the Group as at 30 June 2012, as derived from the interim report of the Company for the six months ended 30 June 2012, and adjusted to reflect the effect of the Open Offer:

-
2. The estimated net proceeds from the issue of the Offer Shares of approximately HK\$254,000,000

2. ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the full text of a report received from KPMG, Certified Public Accountants, in respect of the unaudited pro forma financial information of the Group for the purpose of inclusion in this Prospectus.



8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

26 February 2013

The Board of Directors
Solargiga Energy Holdings Limited

Dear Sirs,
Solargiga Energy Holdings Limited ("the Company")

We report on the unaudited pro forma financial information (the "Pro Forma Financial Information") of the Company and its subsidiaries (the "Group") set out on pages 27 and 28 of Section 1 in Appendix II of the prospectus dated 26 February 2013 (the "Prospectus"), which has been prepared by the directors of the Company solely for illustrative purposes to provide information about how the Open Offer might have affected the financial information presented. The basis of preparation of the unaudited Pro Forma Financial Information is set out in Section 1 of Appendix II of the Prospectus.

Responsibilities

It is the responsibility solely of the directors of the Company to prepare the unaudited Pro Forma Financial Information in accordance with Paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of 5(of)-267-1(5(of)-f)-325t7(to)3p325(of)

Basis of Opinion

We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited Pro Forma Financial Information with the directors of the Company. The engagement did not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or review performed in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the HKICPA and, accordingly, we do not express any such audit or review assurance on the unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Company and that the adjustments are appropriate for the purposes of the unaudited Pro Forma Financial Information as disclosed pursuant to Paragraph 4.29(1) of the Listing Rules.

The unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company and, because of its hypothetical nature, it does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 30 June 2012 or any future date.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company’s shares, the application of those net proceeds or whether such use will actually take place as described under “Reasons for the Open Offer and Use of Proceeds” set out on pages 20 to 21 of the Prospectus.

OPINION

In our opinion:

- (a) the unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; and

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of providing information regarding the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus 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 in this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Open Offer (assuming no further issue of Shares from the Latest Practicable Date up to completion of the Open Offer other

All the Offer Shares to be issued will rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and return of capital. The Offer Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue, including the right to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Offer Shares.

Save as (i) the 102,883,301 units of TDR listed on the Taiwan Stock Exchange as at the Latest Practicable Date and each unit of TDR representing one Share; and (ii) the proposed application to the Taiwan Stock Exchange and the Taiwan Central Bank and/or other relevant authorities by the Company in relation to listing of additional units of TDR, representing not more than 20,576,660 Offer Shares to be issued by the Company (subject to the excess Offer Shares to be applied by the TDR holders under the EAFs), on the Taiwan Stock Exchange, no part of the share capital or any other securities of the Company has been listed or c..It in on any stock exchange other than Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Offer Shares or any other securities of the Company to be listed or c..It in on any other stock exchange. Relevant documents will be filed with the Taiwan Stock Exchange and the Taiwan Central Bank in accordance with the applicable laws and regulations of Taiwan.

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares and rights over Shares.

As at the Latest Practicable Date, no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Interest and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and the shares, underlying shares and debentures of its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or the shares, underlying shares and debentures of any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or were required, pursuant to the Model Code for Securities

Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Nature of interest	Number of Shares held (Note 1)	Approximate percentage of holding (Note 5) (%)
Mr. TAN Wenhua	Beneficial interest (Note 2)	528,624,443 (L)	17.68
	Interest of a controlled corporation (Note 2)	155,320,308 (L)	5.20
Mr. HSU You Yuan	Beneficial interest	13,861,346 (L)	0.46
	Interest in options (Note 3)	239,835 (L)	0.01
	Security interest (Note 3)	239,835 (L)	0.01
	Trustee's interest (Note 4)	7,252,085 (L)	0.24
Mr. CHIAO Ping Hai	Beneficial interest	6,135,500 (L)	0.21
	Interest in options (Note 3)	7,012,250 (L)	0.23
	Security interest (Note 3)	7,012,250 (L)	0.23
Ms. ZHANG Liming	Beneficial interest	3,133,500 (L)	0.10

Note:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) As at the Latest Practicable Date, Mr. Tan Wenhua is interested in 683,944,751 Shares, of which (i) 528,624,443 Shares are currently held by Mr. Tan Wenhua, (ii) 155,320,382 Shares are currently held by You Hua Investment Corporation which is wholly and beneficially owned by Mr. Tan Wenhua.
- (3) Mr. Hsu You Yuan and Mr. Chiao Ping Hai are entitled to buy back the Shares of the relevant senior management and employees in the event that any of them cease to be employed or engaged by the Group. These Directors also have security interests in these Shares pursuant to a share charge granted by the relevant employees and consultants 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 to (if any).
- (4) Mr. Hsu You Yuan holds 7,252,085 Shares as trustee on behalf of a Director, members of the senior management and staff of the Group. Of the said 7,252,085 Shares, 7,012,250 Shares are held by Mr. Hsu You Yuan in trust for Mr. Chiao Ping Hai, a non-executive Director.
- (5) Based on 2,989,560,566 Shares as enlarged by the issue of Offer Shares under the Open Offer (assuming the Open Offer is completed).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their associates has any interests or short positions in any Shares, underlying Shares and debentures of the Company or any shares, underlying shares and debentures of any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange.

(b) Interest and short positions of substantial Shareholders in Shares, underlying Shares and debentures

As at the Latest Practicable Date, so far as is known to any Directors, the following persons (other than a Director) have interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of interest	Number of Shares held (Note 1)	Approximate percentage of holding (Note 6) (%)
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- (3) As at the Latest Practicable Date, Mr. Chong is interested in an aggregate of 129,056,933 Shares, of which 4,994,500 Shares are directly held by Mr. Chong, 1,100,000 Shares are held by Mr. Chong's spouse, 71,126,040 Shares are held by Prosperity Electric Corporation ("PEC") and 51,836,393 Shares are held by Prosperity Lamps & Components Limited ("PLC"). 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.
- (4) As at the Latest Practicable Date, Kingston Bailey Limited. ("Kingston") is interested in 504,136,094 Shares, of which (i) 5,876,000 Shares are currently held by Kingston, (ii) 1,175,200 Shares are agreed to be subscribed by Kingston under the Open Offer; and (iii) no more than 497,084,894 Shares are agreed to be underwritten by Kingston pursuant to an underwriting agreement dated Tuesday, 15 January 2013 entered into between Kingston and the Company under the Open Offer.
- (5) As at the Latest Practicable Date, each of Lai Kim Man and Ma [((51t)-290.1(by)9 byMa [(-507.5(LaJosi((51t

Mr. Chiao Ping Hai

Mr. Chiao Ping Hai has interests in Wafer Works Corp., 上海合晶矽材料
有限公司

5. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE OPEN OFFER

Registered office of the Company	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Room 1402, Harbour Centre 25 Harbour Road Wanchai Hong Kong
Principal share registrar and transfer office	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road, George Town Grand Cayman KY1-1110 Cayman Islands
Branch share registrar and transfer office of the Company in Hong Kong	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Authorised representatives	Mr. Hsu You Yuan Room 1402, Harbour Centre 25 Harbour Road Wanchai Hong Kong Ms. Cheung Lai Lai Room 1402, Harbour Centre 25 Harbour Road Wanchai Hong Kong
Company secretary	Ms. Cheung Lai Lai, CPA Room 1402, Harbour Centre 25 Harbour Road Wanchai Hong Kong

Legal advisers to the Company as to Hong Kong law	DLA Piper Hong Kong 17th Floor, Edinburgh Tower The Landmark 15 Queen's Road Central Hong Kong
Auditor	KPMG <i>Certified Public Accountants</i> 8th Floor, Prince's Building 10 Chater Road Central Hong Kong
Principal bankers	Agricultural Bank of China Jiefang Road No.15, Section 5 Linghe District Jinzhou City Bank of Jinzhou 280 Dong Tai Ping Li Taihe District Jinzhou City Bank SinoPac 18/F One Peking 1 Peking Road Tsim Sha Tsui BNP Paribas 59-63/F, Two International Finance Centre 8 Finance Street Central Hong Kong China Development Bank 109 Qingnian Street Shenhe District Shenyang City China Construction Bank No.56, Section 2, Central Street Jinzhou City

Taiwan Cooperative Bank
13/F., Dah Sing Financial Centre
108 Gloucester Road
Wanchai
Hong Kong

China CITIC Bank
232 Des Voeux Road Central
Hong Kong

Guangdong Development Bank
228 South Wuma Road
Shenhe District
Shenyang City

Huaxia Bank
70 Feng Yu Tan Street
Shenhe District
Shenyang City

Industrial Bank of Taiwan
Unit 705, 7/F Bank of America Tower
12 Harcourt Road
Central
Hong Kong

Industrial and Commercial Bank of China
24A, Section 5
Jiefang Road
Linghe District
Jinzhou City

Underwriter

Kingston Bailey Limited
CCS Management Limited,
Sea Meadac House,
Blackburne Highway, Road Town, Tortola,
British Virgin Islands

6. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT

Business Address of Directors and Senior Management**Name** **Business Address***Executive Directors*

Mr. TAN Wenhua (*Chairman*)
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Mr. HSU You Yuan
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Ms. ZHANG Liming
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Mr. TAN Xin
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Non-executive Directors

Mr. CHIAO Ping Hai
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Independent Non-executive Directors

Mr. WONG Wing Kuen, Albert
Room 1402
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Ms. FU Shuangye	No. 905, Building 16 Jianwai SOHO 39 East 3rd-Ring Road Chao Yang District Beijing, China 100022
Dr. LIN Wen	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. ZHANG Chun	Room 803, Court 43 A North 3th Ring Road Middle Beijing, China, 100800
<i>Senior management</i>	
Ms. CHEUNG Lai Lai	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Ms. ZHAO Xiuzhen	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. WANG Chunwei	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. Joe CHOU	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Ms. GUO, Hongyan	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong

Mr. CHEN Limin	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Dr. CHEN Wei	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. DU Fusheng	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. CHEN Wenjie	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong

Biographies of Directors and Senior Management

Executive Directors

Mr. TAN Wenhua (譚文華), aged 56, Chairman of the Board. He was one of the founders of the Jinzhou Plants. He was conferred various honours including the Model for the Labour of the Building Materials Systems of the Nation, the medal of “May 1st” Labour of Liaoning Province, the Builders Merit award of Liaoning Province, the Outstanding Member of the China Communist Party, the Outstanding Entrepreneur of the Building Materials Industry of the Nation, the Venture Entrepreneur of the Liaoning Province and First Prize Entrepreneur of Jinzhou. He is also a guest professor of Liaoning University of Technology and Vice President of Bohai University. Prior to the founding of Jinzhou Plants, he was the Chairman of 錦州新華石英玻璃(集團)有限責任公司 (Jinzhou Xinhua Quartz Glass (Group) Co., Ltd.*) and the President of 錦州一五五廠 (Jinzhou 155 Factory*), a state-owned factory engaging in quartz crucibles manufacturing. He has been granted a special subsidy by the State Council in 2004 for his contribution in engineering technology. He was elected as a delegate of the 11th National People’s Congress of the People’s Republic of China in 2008. He is the father of Mr. Tan Xin, the Executive Director of the Company and General Manager of the Jinzhou Plants. He is also the brother-in-law of Ms. Zhao Xiuzhen who is the Director of Corporate Management of the Jinzhou Plants.

Mr. HSU You Yuan (許祐淵先生), aged 58, the Chief Executive Officer of the Company. He joined the Group on 6 February 2007 and was appointed an executive Director on the same date. He graduated with a master degree in Business Administration from the Chinese Culture University in 1980. Prior to joining the Group, Mr. HSU was the President of Wafer Works Corp. (“WWX”) from February 1998 to June 2003 and later became the Vice- Chairman of the board of WWX in June 2003. WWX is a manufacturer of silicon wafer for the semiconductor industry and is listed on the Gre Tai Securities Market in Taiwan since May 2002. He was the managing director of Silicon Technology Investment (Cayman) Corp. and was appointed the Chief Executive Officer of Solar Technology Investment (Cayman) Corp., responsible for overseeing, amongst others, WWX’s investment in the solar energy industry. In March 2006, he was appointed a director and he was subsequently appointed as the Chairman of the board of Jinzhou Youhua in September 2006. Mr. HSU’s previous work credentials also include acting as Vice-President of Mosel Vitelic Inc., a company listed on the Taiwan Stock Exchange and as a member of the board of directors and Executive Vice-President of Mosel Vitelic (Hong Kong) Limited, a subsidiary of Mosel Vitelic Inc. Mr. HSU had also made contributions to non-commercial sectors in the past. He served as a researcher, a deputy director, and the director of Business Department of the Executive Yuan Development Fund of Taiwan (Note: Executive Yuan Development Fund is now known as National Development Fund, Executive Yuan). He was also a lecturer of Statistics and Managerial Mathematics for the Business Administration department at the Chinese Culture University.

Ms. ZHANG Liming (張麗明), aged 55, the Director of Administration (行政總監) of the Jinzhou Plants. She joined the Original Group (i.e. the Group prior to the acquisition of Solar Technology Investment (Cayman) Corp. and its subsidiaries on 1 April 2003) responsible for overseeing, amongst others, the administration of the Original Group. She is also the chairman of the labour union of the Jinzhou Plants. She graduated from the Faculty of Economic Management of the Party School of the CPC Central Committee in 1996. Prior to joining the Group, she was appointed as the head of the supply division of 錦州石英玻璃儀器廠 (Jinzhou Quartz Glass Instrument Factory*), the director of management of 錦州京旭晶體材料製造有限責任公司 (Jinzhou Crystalline Material Co., Ltd.*) during 1993 to 1994 and the general manager of 錦州華明水晶工藝品有限公司 (Jinzhou Huaming Crystal Art & Craft Co., Limited*) during 1994 to 2003.

Mr. TAN Xin (譚鑫)

Non-executive Director

Mr. CHIAO Ping Hai (焦平海), aged 62, a non-executive Director. He was appointed a non-executive Director in July 2007. He graduated from the Chung Yuen University with a bachelor degree in Chemical Engineering and master degree in Chemistry from the University of California, San Jose in 1973 and 1978, respectively. He is the Chairman and General Manager of WWX and the President of Helitek Company Ltd., a subsidiary of WWX.

Independent Non-executive Directors

Mr. WONG Wing Kuen, Albert (王永權), aged 61, was appointed an Independent non-executive Director on 12 January 2008. Mr. Wong is a fellow member of The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Chartered Secretaries, The Taxation Institute of Hong Kong, Chartered Institute for Securities and Investments, Chartered Management Institute, UK, Association of International Accountants, Society of Registered Financial Planners, Hong Kong, The Institute of Certified Public Accountants in

Czochralski process of silicon crystals and the application and manufacturing of silicon crystals in semiconductors. Czochralski process is the key process employed by the Group in the manufacturing of monocrystalline silicon ingots. He owns several patents. Dr. LIN was a recipient of the 1983 Bell Laboratories Distinguished Technical Staff Award. Since 1999, Dr. LIN has been a member of the Starting Materials Team of ITRS (International Technology Roadmap of Semiconductor). Dr. LIN is a member of Phi Tau Phi Honor Societies and was served as its Chairman. Dr. LIN is a life member of the Chinese Institute of Engineers-USA, and he served as its president in 1987 and National Council Chairman in 1995. In addition, Dr. LIN also served as Chairman of METS (Modern Engineering and Technology Seminars), as well as Vice-Chairman and Chairman of Sino-American Technology and Engineering Conference.

Mr. ZHANG Chun (張椿), aged 80, an independent non-executive Director, joined the Group on 12 January 2008. Mr. ZHANG graduated from Tianjin University in 1955 and conducted research on semiconductor silicon material in 北京有色金屬研究總院 (Beijing Non-Ferrous Metal Research Institution*) in the same year. During 1965 to 1979, he was involved in the establishment of the semi-conductor materials factory in Emei and the monocrystalline silicon factory in Luoyang and their production and technological management. During 1979 to 1998, he was the supervisor of a semi-conductor material research unit of Beijing Non-Ferrous Metal Research Institution, the supervisor of the 國家半導體材料工程研究中心 (State Semi-conductor Material Engineering Research Centre*) and he also acted as the general manager of 金鑫半導體材料有限公司 (Jinxin Semi-conductor Material Company Limited*). The (a) project on 3 to 4 inches monocrystalline silicon for the use in integrated circuit and (b) the research project on the manufacture of 125mm monocrystalline silicon wafer for the use in 2 to 3 m integrated circuit organized and led by Mr. ZHANG received 科學技術進步一等獎 (the Science and Technology Progress First Prize*) by the China National Non-Ferrous Metals Industry Corp. Mr. ZHANG was granted a special subsidy of government from the State Council since 1992, was awarded the title of Supreme Model for the Labour of the Non-ferrous Metals Industry of the Nation in 1993 and was awarded as a 全國先進工作者 (National Pioneer*) by the State Council in 1995.

Senior Management

Ms. CHEUNG Lai Lai (張麗麗), aged 41, was appointed as the Company Secretary in August 2012. She holds a bachelor 's degree of Arts (Hons) in

Ms. ZHAO Xiuzhen (趙秀珍), agent in charge of the Jinzhou Plants. She graduated from 錦州黨校黨務行政管理 in Administration and Management for she was the deputy general manager of the sister-in-law of Mr. Tan Wenhua who is the Chairman of the Company.

Mr. WANG Chun Wei (王春偉), Director of the Group. He joined the Group on 15th of Business Administration from the State University of Maryland. He is a certified public accountant in Maryland. Before joining the Group, he was a Special Assistant to President of the Office of General Manager of WWX, the State University of Maryland, an officer of Panram International Corp., a company listed on the Market in Taiwan.

Mr. Joe CHO, Director of Quality Assurance Department of Jinzhou Plants. He joined the Company on 3 February 2009. He holds a bachelor's degree in Business Administration from City University of Hong Kong. He holds a Masters of Business Administration degree from the University of Spokesman (publE9r)-9 -1.3702 TEuE9Exe.4(aiwars)-puty d

Mr. DU Fusheng (杜福生), aged 68, is a full-time technical consultant on quality assurance. He joined the Group on 6 August 2008. He graduated from Tsinghua University majoring in semiconductor materials. He is a senior engineer of research level. Prior to joining the Group, he was a researcher and professor of中國電子科技集團十八研究所 (Eighteen Institute of China Electronic Technology Group*), and a technical consultant in 江蘇艾德太陽能科技有限公司 (Jiangsu Aide Solar Energy Technology Co., Ltd.*). He has been engaged in research and development of solar cells for use of semiconductor for nearly 40 years. He has his own unique theories and empirical analysis in solar cells and loss from encapsulation of modules, which significantly contributed to improvement in cell conversion rate and capacity testing technology. He successfully applied the solar cells into several satellites launched by China, and made major contribution to the development of solar cells for use of semiconductor and the science of aerospace in China.

Mr. CHEN Wenjie (陳文杰), aged 62, is a full-time technical consultant. He joined the Group on 18 December 2012. He graduated from Beijing University of Technology majoring in semiconductor devices. Prior to joining the Group, he worked in Beijing 605 Plant and No. 401 Division of Beijing Non-Ferrous Research Institute. He was General Manager of 江陰海潤科技有限公司 (Jiangyin Hairun Technology Co. Ltd.*), Deputy Director-General in charge and Chief Engineer of GCL Silicon Material. He was Vice President of 韓華新能源科技有限公司 (Han Hua New Energy Technology Company Limited*) and General Manager of 連雲港材料廠 (Lianyung Port Materials Plant*). He has profound knowledge in technology of semiconductor silicon materials.

* For identification purpose only

7. EXPERT

The following is the name and the qualification of the expert who has given opinions or advice, which is contained in this Prospectus:

Name	Qualification
KPMG	Certified Public Accountants

KPMG has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report on the unaudited pro forma financial information of the Group dated 26 February 2013 and reference to its name in the form and context in which it appears. As at the Latest Practicable Date, KPMG did not have any direct or indirect shareholding in any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for any securities in any member of the Group. As at the Latest Practicable Date, KPMG did not have any direct or indirect interest in any assets which have, since 31 December 2011 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) a facility agreement dated 27 May 2011, entered into between (i) the Company as borrower and (ii) BNP Paribas and Industrial Bank of Taiwan as the mandated lead arrangers, and (iii) BNP Paribas, Industrial Bank of Taiwan, China Development Industrial Bank, Jih Sun International Bank Sin Yi Branch, Cathay United Bank, Hong Kong Branch, Bank SinoPac Hong Kong Branch, Entie Commercial Bank Ltd., Hua Nan Commercial Bank Ltd., Hong Kong Branch, Taishin International Bank, Taiwan Cooperative Bank, Ltd., Hong Kong Branch and Taiwan Shin Kong Commercial Bank as the original lenders, for a term loan facility of up to US\$75,000,000 (equivalent to approximately HK\$581,250,000) (the “Facility”) made available to the Company for a term of three years from the date of first drawdown of the Facility;
- (b) the underwriting agreement dated 2 November 2012 between the Company and Hiramatsu International Corp. in relation to the underwriting of the underwritten shares and other arrangements in respect of the First Open Offer; and
- (c) the Underwriting Agreement.

9. SERVICE CONTRACTS

12. DOCUMENTS DELIVERED TO THE REGISTRAR

A copy of each of the Prospectus Documents and the consent letter referred to in the paragraph headed “Expert” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance.

13. MISCELLANEOUS

This Prospectus is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Room 1402, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong during normal business hours from 9:00 a.m. to 6:00 p.m. on any weekday other than Saturdays and public holidays from the date of this Prospectus up to and including Friday, 15 March 2013:

- (a) the memorandum and articles of association of the Company;
- (b) the Company’s prospectus for its initial public offer;
- (c) the Company’s annual reports for the three financial years ended 31 December 2011;

(1) NOTICE TO SHAREHOLDER IN JAPAN

No notification or registration have been made pursuant to Paragraph 1 of Article 4 of the Financial Instruments and Exchange Act (the “Act”) in connection with solicitation for subscription to the Offer Shares of the Company (the “Shares”) to be issued for the reason that such solicitation falls under the category of Item (ii)(c) of Paragraph 3 of Article 2 of the Act. The resale of the Shares is restricted; therefore a person who acquired or purchased the Shares is prohibited from assigning such Shares by means other than general assignment.

(2) NOTICE TO SHAREHOLDER IN TAIWAN

The Company will dispatch the Application Form and EAF enclosed with the Prospectus directly from Hong Kong to Qualifying Shareholder(s) in Taiwan without involving any intermediary or agent in Taiwan and in compliance with the Listing Rules. The Company will not engage in any public offering activities in Taiwan for the Open Offer. The Prospectus has not been and will not be registered with Taiwan Financial Supervisory Commission (the “FSC”) pursuant to relevant securities laws and regulations of Taiwan and the Offer Shares will not be offered or sold in Taiwan through a public offering or in a circumstance which constitutes a public offering as defined under Taiwan Securities and Exchange Act that requires a prior registration or approval of the FSC.

As to the holders of the TDR issued by the Company in 2009 through the depositary, Mega International Commercial Bank Co., Ltd. (the “Depositary”), to the extent it is permitted under the relevant Hong Kong law, the Company will comply with the applicable laws and regulations of Taiwan for the TDR holders to subscribe, through the Depositary, for the Offer Shares and excess Offer Shares and for the Company to issue additional TDR representing such Offer Shares and excess Offer Shares so subscribed by the TDR holders. This Prospectus will be provided to the Taiwan Stock Exchange and will be disclosed to the TDR holders via the MOPS.