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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)

PROFIT WARNING

The Board wishes to inform the Shareholders and the potential investors that based on a preliminary assessment on the unaudited management accounts of the Group for the year ended 31 December 2019, it is expected that, compared to last year, the Group will record an increased loss for the year ended 31 December 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Solargiga Energy Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that based on a preliminary assessment on the unaudited management accounts of the Group for the year ended 31 December 2019 (the “**Management Accounts**”), although external shipment increased from approximately 2,797MW in 2018 to 4,134MW and revenue increased from approximately RMB4,000 million to RMB4,400 million, which represented increases of approximately 48% and 10% respectively, it is expected that the Group will record a loss of approximately RMB334 million for the year ended 31 December 2019, as compared to a loss of approximately RMB221 million in 2018. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the increase in loss was mainly because: (1) unit selling prices has dropped

rapidly during 2019 and China's photovoltaic power subsidy policy was introduced later than expected, industry players generally hold a wait-and-see attitude, resulting in a year-on-year decrease in Chinese domestic photovoltaic installation; (2) The production capacity of the Group's new low-cost high-efficiency monocrystalline silicon ingots and wafers located in Yunnan Qujing only completed the testing and adjustment at the end of 2019. Hence mass production was not yet achieved during the year; and (3) On-going technical transformation and upgrading was performed on the existing production equipment in the manufacturing base in Liaoning Jinzhou. Although they have been completed by the end of 2019, it has affected the annual production efficiency and hence led to the benefits of economy of scale not being fully demonstrated.

The information contained in this announcement is only based on the preliminary assessment by the Board on the Management Accounts, which have not been confirmed or reviewed by the Company's auditors. Actual financial results of the Group may be different from what is disclosed in this announcement. The Board intends to disclose details of the Group's results for the year ended 31 December 2019 in the results announcement of the Company on 31 March 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Solargiga Energy Holdings Limited
Wang Junze
Executive Director

Hong Kong, 13 March 2020

As at the date of this announcement, the executive Directors are Mr. Tan Wenhua (Chairman), Mr. Tan Xin and Mr. Wang Junze, the non-executive Director is Mr. Hsu You Yuan, and the independent non-executive Directors are Ms. Fu Shuangye, Dr. Wong Wing Kuen, Albert and Ms. Feng Wenli.