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Solargiga Energy

Solargiga Energy Holdings Limited

陽光能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 757)

PROCESSING CONTRACT AND EXPANSION OF BUSINESS COOPERATION BETWEEN THE COMPANY AND CHINA POWER INVESTMENT CORPORATION

This announcement is made by Solargiga Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business development of the Group. The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Jinzhou Yangguang Energy Co., Ltd, a wholly-owned subsidiary of the Company, has entered into a processing contract (the “**Processing Contract**”) with CPI Solar Power Xian Co., Ltd. (“**CPI Solar**”), a subsidiary of China Power Investment Corporation (“**CPI**”), pursuant to which the Group agreed to provide processing service to CPI in respect of 73 MW solar modules before the end of 2014. The Processing Contract enables the Company to expand its business cooperation with CPI, one of the five state-owned power generation companies in China. In addition to the Processing Contract, taking account of its existing cooperation on PV ingot and wafer business with the Group, CPI will become the Group’s second largest client in terms of total sales volume after Sharp Corporation (“**Sharp**”).

The Chinese government actively promotes the domestic photovoltaic (“**PV**”) application market demands. As one of the five state-owned power generation groups in China, CPI continuously takes the lead in the development and construction of domestic new energy and plays an important role in the PV market in particular. With its outstanding product quality and cost competitiveness, the Company initiated an extensive long-term partnership with CPI beginning in 2011.

The Group has maintained stable partnership with CPI in the area of PV ingot and wafer businesses with stable increase shipment volume. The Processing Contract expands and deepens the cooperation scope between the Group and CPI and boosts the shipment volume of various products. Therefore, based on the 2014 total shipment volume of the Group covering the entire PV industry chain, CPI will become the Group's second largest client after Sharp. It is noteworthy that upon the Processing Contract being entered into, CPI is starting to widely adopt new high-end monocrystalline silicon wafer products which is developed by the Group recently for producing monocrystalline silicon cells. Highly cost-competitive 280W modules can be produced by using new high-end monocrystalline silicon wafer products. Therefore, construction cost of PV system will be reduced and investment return rate of PV power generation will be improved.

The expansion of the Group's cooperation with CPI is a new breakthrough for the Group following by the expansion of module business cooperation with Sharp. The cooperation not only represents the high reputation of the Group's product quality, but also increases the shipment volume of the Group's downstream PV modules. The cooperation strengthens the Group's cost advantage of upstream and downstream vertical integration so as to establish a foundation of steady revenue growth for the Company. The Group will continue to expand its PV module and EPC businesses to enhance market competitiveness of its downstream business in order to propel the Group to become a global leading supplier of one-stop solution for solar power.

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

Hong Kong, 25 August 2014

As at the date of this announcement, the executive Directors are Mr. Tan Wenhua (Chairman), Mr. Hsu You Yuan, Mr. Tan Xin and Mr. Wang Chunwei and the independent non-executive Directors are Ms. Fu Shuangye, Dr. Lin Wen, Mr. Wong Wing Kuen, Albert and Mr. Zhang Chun.