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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)

VOLUNTARY ANNOUNCEMENT IN RELATION TO EXPANSION OF CAPACITY WITH AN ANNUAL OUTPUT OF 3.6GW OF MONOCRYSTALLINE SILICON INGOTS AND MONOCRYSTALLINE SILICON WAFERS

This is a voluntary announcement 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 the first phase of the project located in Qujing City, Yunnan Province, China, comprises of annual output of 600MW low cost high efficiency capacity of monocrystalline silicon ingots and wafers has completed their adjustment phase and will gradually commence mass production. In view of the continuous improvement in the market demand for monocrystalline products in the photovoltaic industry, the Company intends to engage several third-party partners to further expand production locally by an annual capacity of 3.6GW of monocrystalline silicon ingots and wafers. Further, it has once again obtained strong policy support from the local government. It is expected that this expanded production capacity will commence mass production in early 2021, and the annual capacity in Qujing Yunnan will reach 4.2GW and the total annual capacity of the Group will become 5.4GW.

The Company is one of the first manufacturers in the field of manufacturing upstream monocrystalline silicon ingots and wafers and has completed the vertical integration on monocrystalline silicon products. Given the local electricity costs being lower than that at our current major production base in Jinzhou, Liaoning by more than 50%, through an

external production environment with lower electricity and more efficient production facilities, it is expected that it will significantly drive down the internal direct and indirect cost of production, and hence, highlight the Company's technological advantages in its production of monocrystalline silicon ingots and wafers.

The Group focuses on single crystal products in photovoltaic products and has industry-leading production technology of mono-crystalline products. In the photovoltaic industry, while not producing chemical raw material polysilicon, its business form covers the entire photovoltaic industry. The chain can fully leverage the synergies between the Group's businesses. The Group has a dual-focus investment strategy on upstream monocrystalline silicon ingots and wafers and downstream modules, while retaining only a small-scale solar cell manufacturing capacity. Through significant module production capacity, the Group not only maintains direct contact with downstream module customers with huge market power, it also establishes stable supply and demand relations, keeps a finger on the pulse of the end-user market, and can also bring out the upstream high-end monocrystalline silicon ingot and wafer products, and demonstrate the Group's innate advantage from its vertical integration.

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

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

Hong Kong, 28 August 2019

As at the date of this announcement, the executive Directors are Mr. Tan Wenhua (Chairman), Mr. Tan Xin and Mr. Wang Chunwei, 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.