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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)

INSIDE INFORMATION DELISTING OF TAIWAN DEPOSITARY RECEIPTS

The Company received a notice from the Taiwan Stock Exchange on 2 October 2019, whereby the Taiwan Stock Exchange indicated that it shall require the TDRs to be delisted with effect from 12 November 2019 pursuant to the relevant rules of the Taiwan Stock Exchange as the net assets value of the Group fell below one-third of the sum of the share capital and the share premium of the Company as set out in the unaudited consolidated interim financial results of the Company for the six months ended 30 June 2019, which was determined pursuant to the relevant rules of the Taiwan Stock Exchange and published as an overseas regulatory announcement of the Company on 27 September 2019. As such, the last trading day of the TDRs shall fall on 11 November 2019.

Pursuant to the rules of the Taiwan Stock Exchange and the depositary agreement dated 21 December 2009 entered into between the Company and Mega International Commercial Bank Co., Ltd (兆豐國際商業銀行股份有限公司) as the depositary agent, a TDR Holder may:

- (i) on or before the Last Trading Day, continue to trade the TDR(s) on the Taiwan Stock Exchange on or before the Last Trading Day;
- (ii) on or before the Last Trading Day, apply to the Depositary Agent to (a) convert the TDR(s) into Share(s) and take possession of the Share(s) so converted or (b) convert the TDR(s) into Share(s) and sell the Share(s) so converted and receive the net proceeds thereof;

- (iii) on or before the Last Trading Day, instruct the Depository Agent to convert the TDR(s) into Share(s) and sell the Share(s) so converted as soon as possible after the Last Trading Day; or
- (iv) within 50 days from and including the date of TDR Delisting, request the Company to repurchase their TDRs pursuant to the Taiwan Stock Exchange Corporation Procedures for Applications by TWSE Listed Companies for the Delisting of Securities (臺灣證券交易所股份有限公司上市公司申請有價證券終止上市處理程序). Any TDRs so repurchased by the Company will be surrendered to the Depository Agent, which shall then cancel such surrendered TDRs and arrange for the Shares represented by such surrendered TDRs to be transferred to the Company for cancellation.

For any outstanding TDRs that have neither been converted into Share(s) nor repurchased by the Company, the underlying Shares of such outstanding TDRs shall be disposed of by the Depository Agent and the net proceeds thereof after deducting the expenses incurred shall be paid to the relevant TDR Holder(s).

THE TDR DELISTING AND THE TDR REPURCHASE

This announcement is made by Solargiga Energy Holdings Limited (the “**Company**”, 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 “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures 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 (the “**Shareholders**”) and the holders (the “**TDR Holders**”) of the Taiwan Depository Receipts (the “**TDRs**”) of the Company that the Company received a notice from the Taiwan Stock Exchange Corporation (the “**Taiwan Stock Exchange**”) on 2 October 2019, whereby the Taiwan Stock Exchange indicated that it shall require the TDRs to be delisted (the “**TDR Delisting**”) with effect from 12 November 2019 pursuant to the relevant rules of the Taiwan Stock Exchange as the net assets value of the Group fell below one-third of the sum of the share capital and the share premium of the Company as set out in the unaudited consolidated interim financial results of the Company for the six months ended 30 June 2019, which was determined pursuant to the relevant rules of the Taiwan Stock Exchange and published as an overseas regulatory announcement of the Company on 27 September 2019. As such, the last trading day of the TDRs shall fall on 11 November 2019 (the “**Last Trading Day**”).

The TDRs have been listed on the Taiwan Stock Exchange since December 2009. As at the date of this announcement, there are 117,295,816 units of TDRs circulating in the market, representing 117,295,816 ordinary shares with a nominal value of HK\$0.1 each in the share capital of the Company (the “**Shares**”), which constitute approximately 3.65% of the issued share capital of the Company.

Pursuant to the rules of the Taiwan Stock Exchange and the depositary agreement dated 21 December 2009 (the “**Depositary Agreement**”) entered into between the Company and Mega International Commercial Bank Co., Ltd (兆豐國際商業銀行股份有限公司) (the “**Depositary Agent**”) as the depositary agent, a TDR Holder may:

- (i) on or before the Last Trading Day, continue to trade the TDR(s) on the Taiwan Stock Exchange on or before the Last Trading Day;
- (ii) on or before the Last Trading Day, apply to the Depositary Agent to (a) convert the TDR(s) into Share(s) and take possession of the Share(s) so converted or (b) convert the TDR(s) into Share(s) and sell the Share(s) so converted and receive the net proceeds thereof;
- (iii) on or before the Last Trading Day, instruct the Depositary Agent to convert the TDR(s) into Share(s) and sell the Share(s) so converted as soon as possible after the Last Trading Day; or
- (iv) within 50 days from and including the date of TDR Delisting (the “**Repurchase Period**”), request the Company to repurchase their TDRs (the “**TDR Repurchase**”) pursuant to the Taiwan Stock Exchange Corporation Procedures for Applications by TWSE Listed Companies for the Delisting of Securities (臺灣證券交易所股份有限公司上市公司申請有價證券終止上市處理程序) (the “**TWSE Delisting Procedures**”). Any TDRs so repurchased by the Company will be surrendered to the Depositary Agent, which shall then cancel such surrendered TDRs and arrange for the Shares represented by such surrendered TDRs to be transferred to the Company for cancellation. The TDR Repurchase is expected to be completed in January 2020.

For any outstanding TDRs that have neither been converted into Share(s) nor repurchased by the Company, the underlying Shares of such outstanding TDRs shall be disposed of by the Depositary Agent and the net proceeds thereof after deducting the expenses incurred shall be paid to the relevant TDR Holder(s).

The TDR Delisting will not, of itself, affect the listing and trading of the Shares on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”).

Further announcement(s) in relation to the TDR Delisting will be made by the Company as and when appropriate. Shareholders, TDR Holders and potential investors should be aware of any information published and to be published by the Company from time to time when dealing in the securities of the Company.

DETERMINATION OF THE REPURCHASE PRICE

According to the TWSE Delisting Procedures, the repurchase price (the “**Repurchase Price**”) per TDR shall be the higher of (i) the simple arithmetic mean of the closing price of the TDRs in the one month preceding 4 September 2019, being the date of passing the resolution of the Board approving the TDR Repurchase (the “**Board Approval Date**”), being TWD0.685 (equivalent to approximately HK\$0.173) in the present case; and (ii) the net worth per Share based on the latest published unaudited financial report of the Company (being the unaudited interim report of the Company for the six months ended 30 June 2019), being TWD0.753 (equivalent to approximately HK\$0.190). Accordingly, the Repurchase Price is fixed at TWD0.753 (equivalent to approximately HK\$0.190), and such price represents:

- (a) a premium of approximately 84% to the closing price of HK\$0.1030 per Share, as quoted on the Hong Kong Stock Exchange on the Board Approval Date;
- (b) a premium of approximately 90% to the average closing price of approximately HK\$0.09975 per Share for the five consecutive trading days of the Hong Kong Stock Exchange ended on the Board Approval Date; and
- (c) a premium of approximately 90% to the average closing price of approximately HK\$0.09989 per Share for the ten consecutive trading days of the Hong Kong Stock Exchange ended on the Board Approval Date.

FINANCING OF THE TDR REPURCHASE

Assuming that all the existing TDRs are required to be repurchased by the Company, the aggregate Repurchase Price will be approximately TWD88,324,000 (equivalent to approximately HK\$22,304,000). The Company intends to finance the TDR Repurchase by internal financial resources.

After taking into account the financial resources available to the Group as at the date of this announcement, the Directors are of the view that even if all the existing TDRs are required to be repurchased by the Company, there would not be significant adverse impact on the financial position of the Company (as compared with the position disclosed in the latest published unaudited consolidated interim financial results as contained in the interim report of the Company for the six months ended 30 June 2019).

IMPACT OF THE TDR REPURCHASE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out a summary of the shareholding structure of the Company (i) before completion of the TDR Repurchase and (ii) immediately following completion of the TDR Repurchase with the assumptions that (i) all the existing TDRs are repurchased by the Company; (ii) no Shares are allotted and issued or repurchased by the Company on or before completion of the TDR Repurchase (other than the Shares represented by the existing TDRs); and (iii) there is no change in the number of issued Shares held by the shareholders of the Company described below immediately before completion of the TDR Repurchase:

Shareholders	Before completion of the TDR Repurchase		Immediately following the completion of the TDR Repurchase	
	Number of Shares	%	Number of Shares	%
Mr. Tan Wenhua <i>(Notes 1 and 2)</i>	712,244,751	22.18	712,244,751	23.02
Mr. Hsu You Yuan <i>(Note 2)</i>	22,603,266	0.70	22,603,266	0.73
Mr. Wang Junze <i>(Note 2)</i>	100,500	0.01	100,500	0.01
Public shareholders <i>(Note 3)</i>	<u>2,476,832,049</u>	<u>77.11</u>	<u>2,359,536,233</u>	<u>76.24</u>
Total Issued Shares	<u><u>3,211,780,566</u></u>	<u><u>100.00</u></u>	<u><u>3,094,484,750</u></u>	<u><u>100.00</u></u>

Notes:

- As at date hereof, Mr. Tan Wenhua is interested in an aggregate of 712,244,751 Shares, of which (i) 556,924,443 Shares are directly held by Mr. Tan Wenhua and (ii) 155,320,308 Shares are held by You Hua Investment Corporation, which is wholly-owned by Mr. Tan Wenhua.
- Mr. Tan Wenhua, Mr. Hsu You Yuan and Mr. Wang Junze are directors of the Company.
- Of the 3,211,780,566 Shares, 117,295,816 Shares were issued as underlying Shares for the TDRs and are held by a custodian bank appointed by the Depositary Agent in Taiwan.

Shareholders, TDR Holders and potential investors should 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, 2 October 2019

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.