

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 249,130,047 OFFER SHARES ON
THE BASIS OF ONE OFFER SHARE
FOR EVERY NINE EXISTING SHARES HELD ON
THE RECORD DATE**

Global Coordinator and Financial Adviser to the Company



永豐金證券(亞洲)有限公司
SinoPac Securities (Asia) Limited

Underwriter

Hiramatsu International Corp.

The Latest Acceptance Date and payment for the Offer Shares is at 4:00 p.m. on Monday, 10 December 2012 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 11 to 14 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 – Undertakings and 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 – Undertakings and Underwriting Arrangement for the Open Offer – Conditions of the Open Offer" and "Letter from the Board – Undertakings and Underwriting Arrangement for the Open Offer – Termination of the Underwriting Agreement" on pages 17 to 19 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 Monday, 19 November 2012 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 November 2012

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EXPECTED TIMETABLE

2012

Record Date	Friday, 23 November
Register of members of the Company re-opens	Monday, 26 November
Despatch of the Prospectus Documents	Monday, 26 November
Latest time for acceptance of, and payment for the Offer Shares	By 4:00 p.m. on Monday, 10 December
Latest time for the Open Offer to become unconditional	By 4:00 p.m. on Wednesday, 12 December
Announcement of the results of the Open Offer	Thursday, 13 December
Despatch of refund cheques if the Open Offer is terminated	Friday, 14 December
Despatch of share certificates for the Offer Shares	Friday, 14 December
Commencement of dealings in Offer Shares on the Stock Exchange	Monday, 17 December

All time and dates in this Prospectus refer to Hong Kong time and dates.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

The latest time for acceptance of and payment for the Offer Shares will not take place at the time stated above if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 10 December 2012. Instead the latest time for acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same Business Day; or
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 10 December 2012. Instead the latest time for acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Offer Shares extends, the “Expected timetable” above may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated Friday, 2 November 2012 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 and 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 — Undertakings and Underwriting Arrangement For the Open Offer — Conditions of the Open Offer” of this Prospectus
“Director(s)”	director(s) of the Company
“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”	Friday, 2 November 2012, being the last full trading day of the Shares on the Stock Exchange before the release of the Announcement

DEFINITIONS

“Latest Acceptance Date”	Monday, 10 December 2012, 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, 21 November 2012, 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 Wednesday, 12 December 2012 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
“Mr. Hsu”	Mr. Hsu You Yuan, an executive Director
“Mr. Hsu’s Undertaking”	an irrevocable and unconditional undertaking given by Mr. Hsu on Friday, 2 November 2012 in favour of the Company, details of which is set out in the section headed “Letter from the Board — Undertakings and Underwriting Arrangement for the Open Offer — Undertakings”
“Mr. Tan”	Mr. Tan Wenhua, an executive Director and chairman of the Company
“Mr. Tan’s Undertaking”	an irrevocable and unconditional undertaking given by Mr. Tan on Friday, 2 November 2012 in favour of the Company, details of which is set out in the section headed “Letter from the Board — Undertakings and Underwriting Arrangement for the Open Offer — Undertakings”
“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)”	249,130,047 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 249,130,047 Offer Shares for subscription by the Qualifying Shareholders on the basis of one (1) Offer Shares for every nine (9) 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 and the Application Form
“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”	Friday, 23 November 2012, 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

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.375 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
“Undertakings”	Mr. Tan’s Undertaking and Mr. Hsu’s Undertaking
“Underwriter”	Hiramatsu International Corp., a company incorporated in Samoa
“Underwriting Agreement”	the underwriting agreement dated Friday, 2 November 2012 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
“You Hua”	You Hua Investment Corporation, a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Tan
“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

TERMINATION OF THE UNDERWRITING AGREEMENT

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 hereof) 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 change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which would in the reasonable opinion of the Underwriter materially or 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
- (d) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Group as a whole; or
- (e) any breach of or omits to observe any of the obligations or undertakings by the Company expressed to be assumed by it under the Underwriting Agreement; or
- (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

TERMINATION OF THE UNDERWRITING AGREEMENT

- (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.



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)

Executive Directors:

Mr. TAN Wenhua (*Chairman*)

Mr. HSU You Yuan

Ms. ZHANG Liming

Mr. TAN Xin

Non-executive Director:

Mr. CHIAO Ping Hai

Independent Non-executive Directors:

Mr. WONG Wing Kuen, Albert

Ms. FU Shuangye

Dr. LIN Wen

Mr. ZHANG Chun

Registered Office:

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

26 November 2012

To the Qualifying Shareholders,

Dear Sir/Madam,

**OPEN OFFER OF 249,130,047 OFFER SHARES ON
THE BASIS OF ONE OFFER SHARE
FOR EVERY NINE EXISTING SHARES HELD ON
THE RECORD DATE**

As set out in the Announcement, the Company proposed to make the Open Offer, subject to the fulfillment of the Conditions Precedent, a total of 249,130,047 Offer Shares for subscription by the Qualifying Shareholders on the basis of one (1) Offer Share for every nine (9) 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. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

LETTER FROM THE BOARD

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 nine (9) Shares held on the Record Date
Number of existing Shares in issue as at the Latest Practicable Date:	2,242,170,425 Shares
Number of Offer Shares:	249,130,047 Offer Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date)
Subscription Price:	HK\$0.375 per Offer Share
Underwriting arrangement:	Fully underwritten by the Underwriter
Number of Offer Shares undertaken to be taken up by Mr. Tan, You Hua and Mr. Hsu in total:	69,514,893 Offer Shares
Enlarged issued share capital of the Company upon completion of the Open Offer:	2,491,300,472 Shares
Fund raised before expenses:	Approximately HK\$93.4 million

The number of 249,130,047 Offer Shares to be issued pursuant to the terms of the Open Offer represents 11.11% of the existing issued share capital of the Company and approximately 10.00% of the enlarged issued share capital of the Company immediately upon completion of the Open Offer.

As at the Latest Practicable Date, the Company had no outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into Shares.

LETTER FROM THE BOARD

Basis of allotment

The basis of the allotment will be one (1) Offer Share for every nine (9) Shares in issue and held on the Record Date at the Subscription Price payable in full on application or otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents.

The Subscription Price

The Subscription Price for the Offer Shares is HK\$0.375 per Offer Share, payable in full on application.

The Subscription Price represents:

- (i) a discount of approximately 16.67% to the closing price of HK\$0.45 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 15.16% to the average closing price of HK\$0.442 per Share for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 15.73% to the average closing price of HK\$0.445 per Share for the ten consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 50.13% to the unaudited consolidated net tangible assets per Share as at 30 June 2012 of RMB0.613 (approximately HK\$0.7519), which is calculated based on 2,242,170,425 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 all the net proceeds to repay its current outstanding interest-bearing bank loans. In view of the recent financial conditions 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.

LETTER FROM THE BOARD

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.

No application for excess Offer Shares

No application for excess Offer Shares will be available to any Qualifying Shareholders to apply for any Offer Share in excess of their respective assured entitlements since each Qualifying Shareholder will be given equal and fair opportunities to participate in the Company's future development by subscribing for his/her/its assured entitlements under the Open Offer and if an application for excess Offer Shares is arranged, the Company would be required to put in additional efforts and costs to administer the excess application procedures, which is not cost-effective.

Any Offer Shares not taken up by Qualifying Shareholders, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) will be taken up by the Underwriter.

No odd-lot matching services will be provided by the Company in respect of the Open Offer. The Company is advised that as a matter of general market practice in Taiwan, major securities firms in Taiwan typically do not provide odd-lot matching service and arrange for sale and purchase of odd-lot units of TDR traded on the Taiwan Stock Exchange. Having considered (i) the different market practices in Hong Kong and Taiwan, fairness, practicality and costs factors in connection with the provision of odd-lot matching service to the Shareholders and TDR holders; (ii) the need to treat Shareholders fairly and on a uniform basis without selective action or preference for any particular Shareholders; (iii) those Qualifying Shareholders who choose to accept their respective assured entitlements under the Open Offer in full can maintain their respective existing shareholdings in the Company after the Open Offer; and (iv) the Open Offer already assures the Qualifying Shareholders who are optimistic about the future development of the Company to entitle to the Offer Shares in proportion to their respective existing shareholdings, the Directors consider that the absence of odd-lot matching arrangement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Fractional entitlements to the Offer Shares

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

LETTER FROM THE BOARD

PROCEDURES FOR APPLICATION AND PAYMENT

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 Road East, Wanchai, Hong Kong by no later than 4:00 p.m. on Monday, 10 December 2012. 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 Monday, 10 December 2012, the assured entitlements under the Open Offer and all rights in relation thereto shall be deemed to have been declined and will be cancelled.

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares. Any Offer Shares not taken up by Qualifying Shareholders, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) will be taken up by the Underwriter.

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 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 Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of applying for, holding, disposing of or dealing in the Offer Shares. None of the Company, the Directors or any other parties involved in the Open Offer accepts responsibility of any tax effects or liabilities of holders of the Offer Shares resulting from the application for, holding, disposal of, or dealing in the Offer Shares.

LETTER FROM THE BOARD

The Application Form is for the use by the persons named therein only and is 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 100,000,000 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 11,111,111 Offer Shares to be issued by the Company, 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.

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 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.

LETTER FROM THE BOARD

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 five Overseas Shareholders, details 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	2	249,210,999 ^{Note}
Taiwan	1	2,290,177
British Virgin Islands	1	139,788,278

Note: Of the two Shareholders in the PRC, one of them is Mr. Tan who holds 244,733,999 Shares registered in his own name.

In addition, as at the Latest Practicable Date, the Company listed 100,000,000 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 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 address 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 address in the Relevant Jurisdictions and such Overseas Shareholders, together with the Shareholders with registered addresses in Hong Kong, are Qualifying Shareholders for the purpose of the Open Offer. The Company will send the Prospectus Documents to such Qualifying Shareholders.

LETTER FROM THE BOARD

Save as the aforesaid, no action has been taken to permit the offering of the Offer Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself before acquiring any rights to subscribe for the Offer Shares as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in 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 100,000,000 units of TDR on the Taiwan Stock Exchange and each unit of TDR represents one Share. Assuming the existing TDR holders take up an aggregate of 11,111,111 Offer Shares that they are entitled to subscribe pursuant to the Open Offer, the Company will issue 11,111,111 units of TDR and each unit of TDR represents one Share. Application will be made by the Company to the Taiwan Stock Exchange, the Taiwan Central Bank and/or other relevant authorities for the offering and listing of not more than 11,111,111 units of TDR on the Taiwan Stock Exchange. Further announcement will be made by the Company on the progress for the listing of additional units of TDR in due course.

UNDERTAKINGS AND UNDERWRITING ARRANGEMENT FOR THE OPEN OFFER

Undertakings

Mr. Tan's Undertaking

As at the Latest Practicable Date, You Hua holds 139,788,278 Shares. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the entire issued share capital of You Hua is wholly and beneficially owned by Mr. Tan, an executive Director and chairman of the Company.

Mr. Tan also directly holds 475,761,999 Shares in his own personal capacity.

LETTER FROM THE BOARD

On Friday, 2 November 2012, Mr. Tan has given an irrevocable and unconditional undertaking in favour of the Company:

- (1) to subscribe for or procure subscription of not less than an aggregate of 68,394,474 Offer Shares of which he and You Hua are entitled under the Open Offer;
- (2) that the Shares beneficially owned by him and You Hua will remain registered in the same name, respectively, at the close of business on the Record Date up to and including the date on which the Open Offer has become unconditional;
- (3) not to, and procure You Hua not to, dispose of or transfer any Shares held by each of them from the date of Mr. Tan's Undertaking up to and including the date on which the Open Offer has become unconditional; and
- (4) not to dispose of, or transfer his interest in You Hua from the date of Mr. Tan's Undertaking up to and including the date on which the Open Offer has become unconditional.

Mr. Hsu's Undertaking

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Hsu directly holds 10,083,778 Shares in his personal capacity.

On Friday, 2 November 2012, Mr. Hsu has given an irrevocable and unconditional undertaking in favour of the Company:

- (1) to subscribe for not less than 1,120,419 Offer Shares of which he is entitled under the Open Offer;
- (2) the Shares beneficially owned by him will remain registered in the same name at the close of business on the Record Date up to and including the date on which the Open Offer has become unconditional; and
- (3) not to dispose of or transfer any Shares held by him from the date of Mr. Hsu's Undertaking up to and including the date on which the Open Offer has become unconditional.

LETTER FROM THE BOARD

Underwriting Agreement

Date:	Friday, 2 November 2012
Underwriter:	Hiramatsu International Corp., an investment holding company incorporated in Samoa, which, to the best of the Directors' information, knowledge and belief and having made reasonable enquiry, is owned by Independent Third Parties. Hiramatsu International Corp. currently holds 7,183,000 Shares, representing approximately 0.32% of the Shares in issue as at the Latest Practicable Date
Number of Underwritten Shares:	The Open Offer will be fully underwritten by the Underwriter and the number of Underwritten Shares is up to 248,331,936 Offer Shares (assuming no Qualifying Shareholders takes up any of the Offer Shares and the Underwriter takes up 798,111 Offer Shares that it is entitled to under the Open Offer) and up to 178,817,043 Offer Shares (assuming no Qualifying Shareholders take up their entitlements under the Open Offer except that Mr. Tan, Mr. Hsu and the Underwriter take up their direct or indirect entitlements of 70,313,004 Offer Shares in total under the Open Offer). The Underwriter shall subscribe for 798,111 Offer Shares which it is entitled under the Open Offer (which for the avoidance of doubt bears no underwriting commission)
Commission:	1.5% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date

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 7,183,000 Shares, representing approximately 0.32% 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).

LETTER FROM THE BOARD

Any Offer Share not taken up by the Qualifying Shareholders 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.

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

LETTER FROM THE BOARD

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 hereof) 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 change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which would in the reasonable opinion of the Underwriter materially or 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
- (d) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Group as a whole; or
- (e) any breach of or omits to observe any of the obligations or undertakings by the Company expressed to be assumed by it under the Underwriting Agreement; or
- (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.

LETTER FROM THE BOARD

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.

WARNING OF THE RISK OF DEALING IN THE SHARES

The Open Offer is conditional upon, *inter alia*, the fulfillment of the conditions set out under the section headed “Letter from the Board — Undertakings and 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 — Undertakings and Underwriting Arrangement For the Open Offer — Conditions of the Open Offer” and “Letter from the Board — Undertakings and Underwriting Arrangement For the Open Offer — Termination of the Underwriting Agreement” on pages 17 to 19 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 Monday, 19 November 2012 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 Wednesday, 12 December 2012) 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.

LETTER FROM THE BOARD

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.

Shareholders	As at the Latest Practicable Date		Immediately after the completion of Open Offer (assuming no Qualifying Shareholders, except for Mr. Tan, You Hua and Mr. Hsu taking up their entitlements of 69,514,893 Offer Shares in total under the Open Offer; the Underwriter taking up his entitlement of 798,111 Offer Shares and the 178,817,043 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	475,761,999	21.22%	528,624,443	21.22%	528,624,443	21.22%
You Hua (note 1)	139,788,278	6.23%	155,320,308	6.23%	155,320,308	6.23%
Mr. Hsu (note 2)	10,083,778	0.45%	11,204,197	0.45%	11,204,197	0.45%
Underwriter	7,183,000	0.32%	186,798,154	7.50%	7,981,114	0.32%
Other non-public Shareholders (note 2)	456,605,090	20.36%	456,605,090	18.33%	507,338,988	20.36%
Other public Shareholders (excluding the Underwriter)	1,152,748,280	51.41%	1,152,748,280	46.27%	1,280,831,422	51.41%
Total	<u>2,242,170,425</u>	<u>100.00%</u>	<u>2,491,300,472</u>	<u>100.00%</u>	<u>2,491,300,472</u>	<u>100.00%</u>

Notes:

1. You Hua is wholly and beneficially owned by Mr. Tan.
2. As at the Latest Practicable Date, other non-public Shareholders consist of:
 - (a) Wafer Works Investment Corp. which is a substantial Shareholder holding 313,881,822 Shares;
 - (b) Mr. Chiao Ping Hai who is a non-executive Director holding 6,135,500 Shares;
 - (c) Ms. Zhang Liming who is an executive Director holding 783,375 Shares; and

LETTER FROM THE BOARD

- (d) Mr. Chong Kin Ngai (“Mr. Chong”) who is a connected person of the Company under Rule 14A.11(2) of the Listing Rules (on the basis that Mr. Chong Kin Ngai resigned as a non-executive Director on 1 December 2011) holding an aggregate of 135,804,393 Shares, of which (i) 2,449,500 Shares are directly held by Mr. Chong; (ii) 1,100,000 Shares are held by Mr. Chong’s spouse; (iii) 110,793,433 Shares are held by companies controlled by Mr. Chong; and (iv) 21,461,460 Shares are held by Mr. Chong as trustee on behalf of certain Directors, members of the senior management and staff of the Group (inclusive of 2,350,125 Shares held by Mr. Chong in trust for Ms. Zhang Liming, an executive Director and 2,659,375 Shares held by Mr. Chong in trust for Mr. Hsu, an executive Director.

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 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, and the Group recorded a significant loss of approximately RMB663.4 million (before taxation) in the first half of 2012, as compared to a profit of approximately RMB140.2 million (before taxation) 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.

The Directors consider additional bank borrowings for the above capital requirements will increase the Group’s overall gearing ratio and burden the Group with increased interest expenses, thereby exposing the Group to greater financial risk. As such, the Directors are of the view that the Open Offer is in the interest of the Group as the increase in the capital base of the Group would strengthen the financial position of the Group in the face of a challenging operating environment in the solar industry.

The estimated net proceeds from the Open Offer will be approximately HK\$89.2 million (after deducting the costs and expenses in relation to the Open Offer). The Group will apply all the net proceeds to repay its current outstanding interest-bearing bank loans.

LETTER FROM THE BOARD

The estimated expenses in relation to the Open Offer, including financial, legal and other professional advisory fees, printing and translation expenses, of approximately HK\$3.8 million, will be borne by the Company. The Directors have considered other alternative fund raising methods such as offer of new Shares and bank borrowings and consider that the Open Offer has the benefits of allowing the Qualifying Shareholders to maintain their respective pro rata shareholdings if they take up their entitled Offer Shares and participate in the future growth of the Group.

After considering the recent financial needs and condition of the Company, the Directors (including the independent non-executive Directors) believe that the Open Offer is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Prospects

Energy resources generated from fossil fuels such as coal, crude oil and natural gas, face a number of challenges including rising prices and growing environmental concerns over the global warming and climate change risks associated with power generation using fossil fuels. As result of these factors, renewable energy resources have emerged as potential alternatives. Solar energy is one of the popular renewable energy resources and is estimated to continue increasing its importance as a common alternative power source for the global energy consumption in the long term.

However, there were few photovoltaic equipment manufacturers before 2006. The huge demand in the European photovoltaic market starting from 2006 immediately resulted in a shortage of supply in the then photovoltaic market. A number of manufacturers were eager to enter into the photovoltaic product manufacturing sector, which led to a rapid increase in capacity and unstable quality among manufacturers. Since the outbreak of financial crisis in 2008, the worldwide financial market worsened which the European region, being major photovoltaic product consumer, was facing financial difficulty and was unable to maintain huge investment in the construction of photovoltaic power plant, resulting a slowdown in the demand of the photovoltaic market. With continuous and significant increase in capacity, the photovoltaic market faced an excess supply and a drop in selling price in the third quarter of 2011. Accordingly, all of the photovoltaic equipment manufacturers and our Group faced a rapid decrease in operating performance. However, the decrease in selling price helped the push down the cost of photovoltaic power generation. Currently, the cost of photovoltaic power generation in some regions is already lower than that of traditional energy, which will definitely led to a growth in the long run. In addition, an excess supply results in fierce competition in terms of cost, quality and technology among manufacturers in the short run. Manufacturers without economies of scale, product quality and technological advantages will gradually be eliminated. As a result, the current situation of excess supply will gradually be recovered and manufacturers with core competitiveness will be able to enjoy a prosperous photovoltaic market.

LETTER FROM THE BOARD

The Group has gained a leading position in the mono-crystalline silicon solar ingot and wafer manufacture industry in terms of technology, product quality and quantity. The products of the Group are the only mono-crystalline silicon solar ingots in China 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. Apart from the traditional P-type products, the Group also provides N-type high-end products with a photovoltaic conversion efficiency of 22%–23%. As the quality of the products are well accepted by customers, renowned companies from home and abroad became the major customers of the Group.

Except for the core business of mono-crystalline silicon solar ingot and wafer, in order to step into the terminal photovoltaic products application market, the Group successfully established an effective and unique “inverted pyramid” vertical integrated supply chain. It also completed the transformation from a solar energy materials manufacturer to a one-stop service provider of solar power projects. On the other hand, “inverted pyramid” causes the production capacity of upstream to be larger than that of downstream, therefore, individual products including ingots, wafer, cells and modules within the supply chain can also be sold to third parties. And strict quality surveillance inspection is conducted by different customers so as to assure that quality of upstream and downstream products could pass the stringent requirement of international customers, which shows that quality of upstream and downstream products have strong market competition.

In terms of short term strategy, the Group continues and further explores its technological advantage by means of various R&D projects itself and technological exchange and cooperation with university R&D center and connecting the upstream and downstream businesses for a better synergy effect. In addition, regarding to the terminal market of photovoltaic power plant, the Group continues to evaluate various power plants projects in PRC and overseas, so as to obtain permission of construction on power plants with higher investment return before seeking financial investment partners to fund the construction of power plant, and further purchases of solar modules needed for the construction of the Group. For financial investment partners, stable income will be created for 20 to 25 years from the power generation; and for the Company, demands from downstream customers will be created by means of purchasing downstream products from financial investment partners when supply is in excess of demand in the current industry.

In terms of long term strategy, by means of technological innovation and research, the Group will continue to maintain mono-crystalline silicon solar ingot and wafer’s leading position and its manufacture advantage on solar cell and module with high quality and low cost, and at the same time, keep exploring different international suppliers and customers so as to establish long term and stable strategic partnership and welcome the further development of photovoltaic industry together.

The Directors believe that such integrated business model can help the Group to sustain the current challenges and be in a good position to take advantage of a market rebound after the current shake up.

LETTER FROM THE BOARD

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.

Looking forward, 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 of cost reduction in the current environment;
3. Improving the product mix, by increasing the sales portion of N-type products which provides higher and more efficient conversion efficiency than the traditional P-type products. The N-type products are mainly targeted on Japanese customers;
4. Co-operating with long term investors to construct solar energy power generation systems, minimising cash outlay of the Group;
5. Tightening the credit control by focusing more on selected quality customers to build up long-term and steady sale. This also helps to establish the long term steady market distribution channels; and
6. Imposing the stringent control of expenditure and increasing 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.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

There has not been any fund raising exercise conducted by the Company in the past 12 months immediately preceding the Latest Practicable Date.

LISTING RULES IMPLICATIONS

The Open Offer is not subject to Shareholders' approval under the Listing Rules. The Open Offer will be carried out in compliance with Rule 7.24(1) of the Listing Rules.

LETTER FROM THE BOARD

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 are 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 June 2012 is included in the interim report of the Company for the six months ended 30 June 2012 (pages 21 to 52), which is published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.solargiga.com).

As disclosed in note 2(b) to the Group's unaudited interim financial report for the six months ended 30 June 2012, the Group has changed the basis of presentation of the revenue derived from certain transactions with a customer who was also a supplier of the Group from a gross basis to a net processing fee basis. The Group's audited consolidated financial statements for the year ended 31 December 2011 referred to above, which were published on 29 March 2012, have not been restated to reflect this change in basis of income statement presentation. The change in presentation does not have any impact on the Group's audited consolidated financial statements for the years ended 31 December 2009 and 2010.

2. INDEBTEDNESS

Borrowings

As at the close of business on 30 September 2012, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this Prospectus, the Group had borrowings amounting to approximately RMB2,003,381,000, details of which are as follows:

The following table illustrates the Group's borrowings as at the close of business on 30 September 2012:

	<i>RMB'000</i>
Bonds	300,000
Municipal government loan	3,273
Bank borrowing – secured	133,410
Bank borrowing – unsecured	1,566,698
	<hr/>
	2,003,381
	<hr/> <hr/>

Guarantees

As at the close of business on 30 September 2012, save as the intra-group guarantees, the Group did not provide any corporate guarantees to other parties.

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 30 September 2012, the Group did not have any outstanding debts 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 30 September 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 fulfil the future working capital requirement such as additional equity fund raising, entering into longer-term bank borrowing or other borrowing arrangements and/or asset divestment.

As part of the Company's working capital forecast assumptions, the Company may explore and seek to, subject to market conditions and the consideration of the interest of the Shareholders as a whole, raise equity financing, possibly to an extent of US\$38 million. The Directors considered such an assumption prudent and forms part of the multiple funding measures the Company can pursue. As of the date of this Prospectus, there is no discussion, negotiation or arrangements in respect of aforesaid fund raising measures or timetable and no contracts of agreements has been entered into in respect of any fund raising measures.

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 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 circumstance.

4. MATERIAL ADVERSE CHANGE

Save and except for the aforesaid, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, being the date to which the latest published audited consolidated financial statements of the Group were made up.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

For illustrative purposes only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as if it 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 following the Open Offer.

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 extracted 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:

	<i>RMB'000</i>
Unaudited consolidated net tangible assets attributable to equity Shareholders as at 30 June 2012 (<i>Note 1</i>)	1,373,461
Estimated net proceeds from the Open Offer (<i>Note 2</i>)	72,717
Unaudited pro forma adjusted consolidated net tangible assets attributable to equity Shareholders	<u>1,446,178</u>
Unaudited consolidated net tangible assets attributable to equity Shareholders per Share as at 30 June 2012 (<i>Note 3</i>)	<u>RMB0.613</u>
Unaudited pro forma adjusted consolidated net tangible assets per Share as at 30 June 2012 (<i>Note 4</i>)	<u>RMB0.58</u>

Notes:

1. The unaudited consolidated net tangible assets as at 30 June 2012 represents the unaudited consolidated total net assets of the Group of RMB1,588,249,000 at 30 June 2012 less intangible assets of approximately RMB214,788,000 which are extracted from the published interim report of the Company for the six months ended 30 June 2012.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

2. The estimated net proceeds from the issue of the Offer Shares of approximately HK\$89,200,000 (equivalent to approximately RMB72,717,624 (Note 5)) are based on 249,130,047 Offer Shares to be issued at the Subscription Price of HK\$0.375 per Offer Share (on the basis of 2,242,170,425 Shares in issue as at the Record Date) per Offer Share and after deduction of estimated related expenses of HK\$3,800,000 (equivalent to approximately RMB3,100,000 (Note 5)).
3. The calculation of the unaudited consolidated net tangible assets attributable to equity Shareholders per Share is based on the unaudited consolidated net tangible assets attributable to equity Shareholders of RMB1,373,461,000 and on the basis of 2,242,170,425 Shares in issue as at 30 June 2012.
4. The unaudited pro forma adjusted consolidated net tangible assets attributable to the equity Shareholders per Share is calculated based on the unaudited pro forma adjusted consolidated net tangible assets attributable to equity Shareholders of RMB1,446,178,000 and on the basis of 2,491,300,472 Shares in issue representing an aggregate of 2,242,170,425 Shares in issue as at 30 June 2012 and adjusting for the effect of the 249,130,047 Offer Shares.
5. For the purpose of this Prospectus, the exchange rate of HK\$1 = RMB0.81522 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes and do not constitute representation that any amount in RMB or HK\$ have been or may be covered in such rates.
6. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2012.

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 November 2012

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 Company and its subsidiaries (the "Group") set out on pages 28 and 29 of Section 1 in Appendix II of the prospectus dated 26 November 2012 (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 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 Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by Paragraph 4.29(7) of the Listing Rules, on the unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

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 21 to 22 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
- (c) 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.

Yours faithfully,
KPMG
Certified Public Accountants
Hong Kong

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) was and will be as follows:

As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>5,000,000,000</u>	Shares of HK\$0.1 each	<u>500,000,000</u>
<i>Issued and fully paid:</i>		<i>HK\$</i>
<u>2,242,170,425</u>	Shares of HK\$0.1 each as at the Latest Practicable Date	<u>224,217,042.5</u>

Immediately after completion of the Open Offer

<i>Authorised:</i>		<i>HK\$</i>
<u>5,000,000,000</u>	Shares of HK\$0.1 each	<u>500,000,000</u>
<i>Issued and fully paid:</i>		<i>HK\$</i>
2,242,170,425	Shares in issue as at the Latest Practicable Date	224,217,042.5
<u>249,130,047</u>	Offer Shares to be allotted and issued under the Open Offer	<u>24,913,004.7</u>
<u>2,491,300,472</u>		<u>249,130,047.2</u>

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 100,000,000 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 11,111,111 Offer Shares to be issued by the Company, on the Taiwan Stock Exchange, no part of the share capital or any other securities of the Company has been listed or dealt 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 dealt 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 6) (%)
Mr. TAN	Beneficial interest (Note 2)	528,624,443 (L)	21.22
	Interest of a controlled corporation (Note 2)	155,320,308 (L)	6.23
	Interest in options	10,055,625 (L)	0.40
	Security interest (Note 4)	10,055,625 (L)	0.40
Mr. HSU	Beneficial interest (Note 3)	13,863,572 (L)	0.56
	Interest in options (Note 4)	1,221,085 (L)	0.05
	Security interest (Note 4)	1,221,085 (L)	0.05
Mr. CHIAO Ping Hai	Beneficial interest	6,135,500 (L)	0.25
	Interest in an option (Note 4)	7,525,375 (L)	0.30
	Security interest (Note 4)	7,525,375 (L)	0.30
Ms. ZHANG Liming	Beneficial interest (Note 5)	3,133,500 (L)	0.13

Note:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) As at the Latest Practicable Date, Mr. Tan is interested in 683,944,751 Shares, of which (i) 475,761,999 Shares are currently held by Mr. Tan, (ii) 139,788,278 Shares are currently held by You Hua which is wholly and beneficially owned by Mr. Tan, (iii) 68,394,474 Shares are agreed to be subscribed pursuant to an undertaking dated Friday, 2 November 2012 given by Mr. Tan in favour of the Company under the Open Offer.
- (3) As at the Latest Practicable Date, Mr. Hsu is interested in 13,863,572 Shares, of which (i) 10,083,778 Shares are currently held by Mr. Hsu, (ii) 1,120,419 Shares are agreed to be subscribed pursuant to an undertaking dated Friday, 2 November 2012 given by Mr. Hsu in favour of the Company under the Open Offer, and (iii) 2,659,375 Shares held by Mr. Chong Kin Ngai in trust for Mr. Hsu.

- (4) Mr. Tan, Mr. Hsu 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).
- (5) As at the Latest Practicable Date, Ms. Zhang Liming's 2,350,125 Shares were registered in the name of Mr. Chong Kin Ngai as trustee who is entrusted to exercise voting rights and hold the dividends and other distributions made in respect of the relevant Shares in trust for, among others, the relevant employees and senior management members (if any).
- (6) Based on 2,491,300,472 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 5) (%)
Wafer Works Investment Corp. ("WWIC")	Beneficial owner	313,881,822 (L)	12.60
Wafer Works Corp. ("WWX") (Note 2)	Interest of a controlled corporation	313,881,822 (L)	12.60
The Baring Asia Private Equity Fund IV, L.P.	Interest of a controlled corporation	122,139,421 (L)	4.90

Name of Shareholder	Nature of interest	Number of Shares held (Note 1)	Approximate percentage of holding (Note 5) (%)
Jean Salata	Interest of a controlled corporation	119,045,000 (L)	4.78
Baring Private Equity Asia GP IV Limited	Interest of a controlled corporation	119,045,000 (L)	4.78
Baring Private Equity Asia GP IV, L.P.	Interest of a controlled corporation	119,045,000 (L)	4.78
Baring Private Equity Asia IV Holding (6) Limited	Interest of a controlled corporation	119,045,000 (L)	4.78
Mr. CHONG Kin Ngai (Note 3)	Interest of a controlled corporation	110,793,433 (L)	4.45
	Personal interest	2,449,500 (L)	0.10
	Trustee's interest	21,461,460 (L)	0.86
	Family interest	1,100,000 (L)	0.04
Hiramatsu International Corp. (Note 4)	Beneficial owner	256,313,047 (L)	10.29

Note:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, WWIC is wholly-owned by WWX as at the Latest Practicable Date. By virtue of the SFO, WWX is deemed to be interested in the Shares held by WWIC.
- (3) As at the Latest Practicable Date, Mr. Chong is interested in an aggregate of 135,804,393 Shares, of which 2,499,500 Shares are directly held by Mr. Chong. 1,100,000 Shares are held by Mr. Chong's spouse, 64,140,040 Shares are held by Prosperity Electric Corporation ("PEC") and 46,653,393 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. Mr. Chong holds 21,461,460 Shares as trustee on behalf of certain Directors, members of the senior management and staff of the Group. Of the said 21,461,460 Shares, 2,350,125 Shares are held by Mr. Chong in trust for Ms. Zhang Liming, an executive Director and 2,659,375 Shares are held by Mr. Chong in trust for Mr. Hsu You Yuan, an executive Director.
- (4) As at the Latest Practicable Date, Hiramatsu International Corp. ("**Hiramatsu**") is interested in 256,313,047 Shares, of which (i) 7,183,000 Shares are currently held by Hiramatsu, (ii) 798,111 Shares are agreed to be subscribed by Hiramatsu under the Open Offer; and (iii) no more than 248,331,936 Shares are agreed to be underwritten by Hiramatsu pursuant to an underwriting agreement dated Friday, 2 November 2012 entered into between Hiramatsu and the Company under the Open Offer.
- (5) Based on 2,491,300,472 Shares as enlarged by the issue of Offer Shares under the Open Offer (assuming the Open Offer is completed).

Save as disclosed above, the Directors were not aware that there was any person (other than a Director) who, as at the Latest Practicable Date, had an interest or a short position 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, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or in any options, in respect of such capital.

(d) Competing interests

Mr. Tan, being the executive Director, and Mr. Chiao Ping Hai, being the non-executive Director, are interested in other related businesses, particulars of which are set out below:

Mr. Tan

Mr. Tan held approximately 40% interest in Jinzhou Changhua. Jinzhou Changhua is engaged in the manufacturing of graphite and graphite related products. The business of Jinzhou Changhua does not compete with that of the Group. Jinzhou Changhua, as a company which manufactures graphite and graphite related products, is not a competitor of the Group because (i) the Group is not engaged in the manufacturing of graphite or any graphite related products; and (ii) graphite is not a substitute for polysilicon in the manufacturing of solar products currently produced by the Group.

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 (Wafer Works (Shanghai) Corp*) (“WWXS”) and Wafer Works Epitaxial Corp. These three companies are all engaged in the business of manufacturing silicon wafers used in the semi-conductor industry. Mr. Chiao Ping Hai also has indirect interests in Helitek and Heli-Vantech, Inc., both of which are engaged in the trading of silicon wafers used in the manufacture of semi-conductors. As explained above, the semi-conductor industry is different from that of the solar technology industry; thus, Wafer Works Corp. (“WWX”), WWXS and Wafer Works Epitaxial Corp., Helitek and Heli-Vantech, Inc., are not engaged in any competing business of the Group.

(e) Other interests

Save for the continuing connected transaction as announced in the Company’s announcement dated 19 October 2012, the other continuing connected transactions and connected transaction as disclosed in the Company’s annual report for the year ended 31 December 2011, none of the Directors is interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the Latest Practicable Date and which is significant in relation to the business of the Company.

Save as disclosed in the Company's annual report for the year ended 31 December 2011 under the heading "Report of Directors — Connected Transactions", none of the Directors or any professional advisers named in paragraph 8 of this Appendix has had any direct or indirect interest in any assets which have 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 since 31 December 2011, being the date of the latest published audited financial statements of the Company.

* *for identification purpose only*

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any material litigation or claims and, so far as the Directors were aware, no material litigation or claims were pending or threatened by or against any members of the Group.

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	Butterfield Fund Services (Cayman) Limited Butterfield House 68 Fort Street P.O. Box 705 Grand Cayman, KY1-1107 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
Global Coordinator and Financial Adviser to the Company	SinoPac Securities (Asia) Limited 21st Floor, One Peking 1 Peking Road Tsim Sha Tsui Kowloon
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

Hiramatsu International Corp.
 Offshore Chambers
 P.O. Box 217
 Apia
 Samoa

6. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT**Business Address of Directors and Senior Management**

Name	Business Address
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Executive Directors

Mr. TAN Wenhua (<i>Chairman</i>)	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

Senior management

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
Mr. ZHANG Yuewen	Room 1402 Harbour Centre 25 Harbour Road Wanchai Hong Kong
Mr. CHEN Limin	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 57, 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), aged 29, is the General Manager of the Jinzhou Plants. He joined the Group in July 2005. He holds a bachelor’s degree of Marketing from the Macau University of Science and Technology, and a master’s degree of Business Administration from University of East Anglia, U.K. Mr. Tan is also a Standing Committee member of the Liaoning Province Youth Federation (遼寧省青年聯合會常務委員會成員), Vice President of the Liaoning Province Young Entrepreneurs Association (遼寧省青年企業家協會副會長) and Member of the 12th Jonghou Municipal Committee of the Chinese People’s Political Consultative Conference (錦州市第十二屆政協委員). Mr. Tan was awarded Year 2011 Meritorious Entrepreneur (2011年度功勳企業家) by Jinzhou Municipal Government. Before taking the role of the General Manager of Jinzhou Plants, Mr. Tan also worked in other subsidiaries

within the Group and accumulated plenty of experiences from his prior positions. He is the son of Mr. Tan Wenhua who is an executive Director and the Chairman of the Company.

Non-executive Director

Mr. CHIAO Ping Hai (焦平海), aged 61, 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 60, 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 Ireland, UK, as well as a member of Hong Kong Securities Institute, The Chartered Institute of Arbitrators, Macau Society of Certified Practising Accountants and an associate member of The Chartered Institute of Bankers in Scotland, UK. Mr. WONG had also been a director and Chief Executive Officer of Minghua Group International Holdings Limited, a listed public company in the United States, until 30th September 2004. According to the filings made available to public through the EDGAR database in U.S., for the quarterly period ended 30 September 2005, Minghua Group International Holdings Limited was “a small business issuer” and “a development stage company”. Mr. WONG has been the Managing Director of KND Corporate Advisory Service Limited, a private professional consulting firm in Hong Kong, an independent non-executive director of APAC Resources Limited, a company listed on the Main Board of the Hong Kong Stock Exchange, since July 2004 and an independent non-executive director of Rare Earths Global Limited, a company listed on the London Stock Exchange – AIM Market, since March 2012.

Ms. FU Shuangye (符霜葉), aged 44, was appointed an independent non-executive Director on 12 January 2008. Ms. FU graduated from Wuhan University with a bachelor degree in English Literature in 1990 and obtained her further legal studies certificate in the Law School of China Politics and Law University in 1997. She was qualified as a PRC lawyer in 1998. She was a partner of Zhong Lun W&D Law Firm in Beijing. Ms. FU is now the Managing Partner of Zhong Hao Attorneys-at-Law. She is also a member of the Foreign Direct Investment Expertise Committee of the Beijing Judiciary Bureau.

Dr. LIN Wen (林文), aged 73, an independent non-executive Director, joined the Group on 12 January 2008. Dr. LIN received his Ph.D. degrees in Materials Science & Engineering. He joined AT&T Bell Laboratories (subsequently, Lucent Bell Labs/Agere) and engaged in the research and development of silicon semiconductor materials in 1975. Dr. LIN is the author of over 60 papers and book chapters published by internationally recognised science magazines, including 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 μ m integrated circuit organised 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, aged 41, was appointed as the Company Secretary in August 2012. She holds a bachelor's degree of Arts (Hons) in Accountancy from the City University of Hong Kong, and she is a fellow member of the Association of Chartered Certified Accountants, a practising member of the Hong Kong Institute of Certified Public Accountants and a certified tax adviser of the Taxation Institute of Hong Kong. Ms. Cheung is currently the managing principal of MCL & Co. CPA

(Practising) and also a shareholder and a Practising Director of KND & Co. CPA Limited. She has over 20 years of experience in auditing, finance, accounting and company secretarial services.

Ms. ZHAO Xiuzhen (趙秀珍), aged 57, the Director of Corporate Management (企管總監) of the Jinzhou Plants. She joined the Group on 31 January 2005. She graduated from 錦州黨校黨務行政管理系 (Jinzhou Communist Party School in Administration and Management for Party Affairs*). Prior to joining the Group, she was the deputy general manager of Jinzhou Hualian Shopping Centre. She is the sister-in-law of Mr. Tan Wenhua who is an executive director and the Chairman of the Company.

Mr. WANG Chun Wei (王君偉), aged 41, the Chief Financial Officer of the Group. He joined the Group on 1 January 2007. He obtained a Master of Business Administration from the State University of New Jersey (Rutgers). He is a certified public accountant in Maryland, the United States. Prior to joining the Group, he was a Special Assistant to President & Deputy Spokesman of The Office of General Manager of WWX, the Spokesman and Chief Financial Officer of Panram International Corp., a company listed on the Gre Tai Securities Market in Taiwan.

Mr. Joe CHOU (周志文), aged 53, is the Director of Quality Assurance Department of Jinzhou Plants. He joined the Group on 3 February 2009. He holds a bachelor's degree of Chemical Engineering from the Chung Yuen Christian University, Taiwan, a master's degree of Business Administration from City University of Seattle, and an Executive Master's of Business Administration degree from National Taiwan University. Prior to joining the Group, he was appointed as Director of Quality Assurance Department of WWX. He has over 24 year of experience in semiconductor industry and has over 21 year of experience in quality assurance.

Mr. ZHANG Yuewen (張躍文), aged 47, the Director of Marketing (營銷總監) of the Jinzhou Plants. He joined the Group on 16 May 2003. He graduated from 錦州黨校經濟管理本科 (Jinzhou Communist Party School in Economic and Management*). Prior to joining the Group, he worked in the supply division of Jinzhou Xinhua Quartz Glass (Group) Co., Limited as a deputy division head and then the division head.

Mr. CHEN Limin (陳立民), aged 43, the Technical Director of Jinzhou Plants. He joined the Group on 30 December 2000. He graduated from the Ore Mining Faculty of the 四川建材學院 (Sichuan College of Construction Materials*). Prior to joining the Group, he worked for 新華石溪玻璃(集團)有限公司 (Xinhua Shixi Glass (Group) Co., Ltd.*).

Dr. CHEN Wei (陳蔚), aged 41, Special Assistant to the Chairman and Overseas Sales Representative. She joined the Group in July 2006. She obtained her Doctor of Philosophy in Management at Wuhan University of Technology (武漢理工大學) in 2005. Prior to joining the Group, she was appointed Vice-President of Xi'an International Trade Promotion Co. Ltd. (西安市外經貿商務展覽公司) and the Vice-President of International Transport Division of Shaanxi Machinery & Equipment Import & Export Corp. (陝西機械設備進出口公司國際貨運分公司).

* 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 Monday, 26 November 2012 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 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; and
- the Underwriting Agreement.

9. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

10. EXPENSES

The expenses in connection with the Open Offer, including the commission to the Underwriter and the relevant professional fees incurred by the Company, are estimated to be approximately HK\$3.8 million and will be payable by the Company.

11. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance thereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

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 Wednesday, 12 December 2012:

- 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;

- d. the Company's interim report for the six months ended 30 June 2012;
- e. the accountants' report on the unaudited pro forma financial information, the text of which is set out in Appendix II to this Prospectus;
- f. the material contracts referred to under the paragraph headed "Material Contracts" in this appendix;
- g. the written consent referred to under the paragraph headed "Expert" in this appendix;
- h. a copy of the circular issued by the Company on 12 November 2012 in relation to renewal of a continuing connected transaction as set out therein; and
- i. the Prospectus Documents.

(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 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 for the Company to issue additional TDR representing such 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.