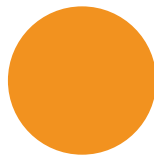


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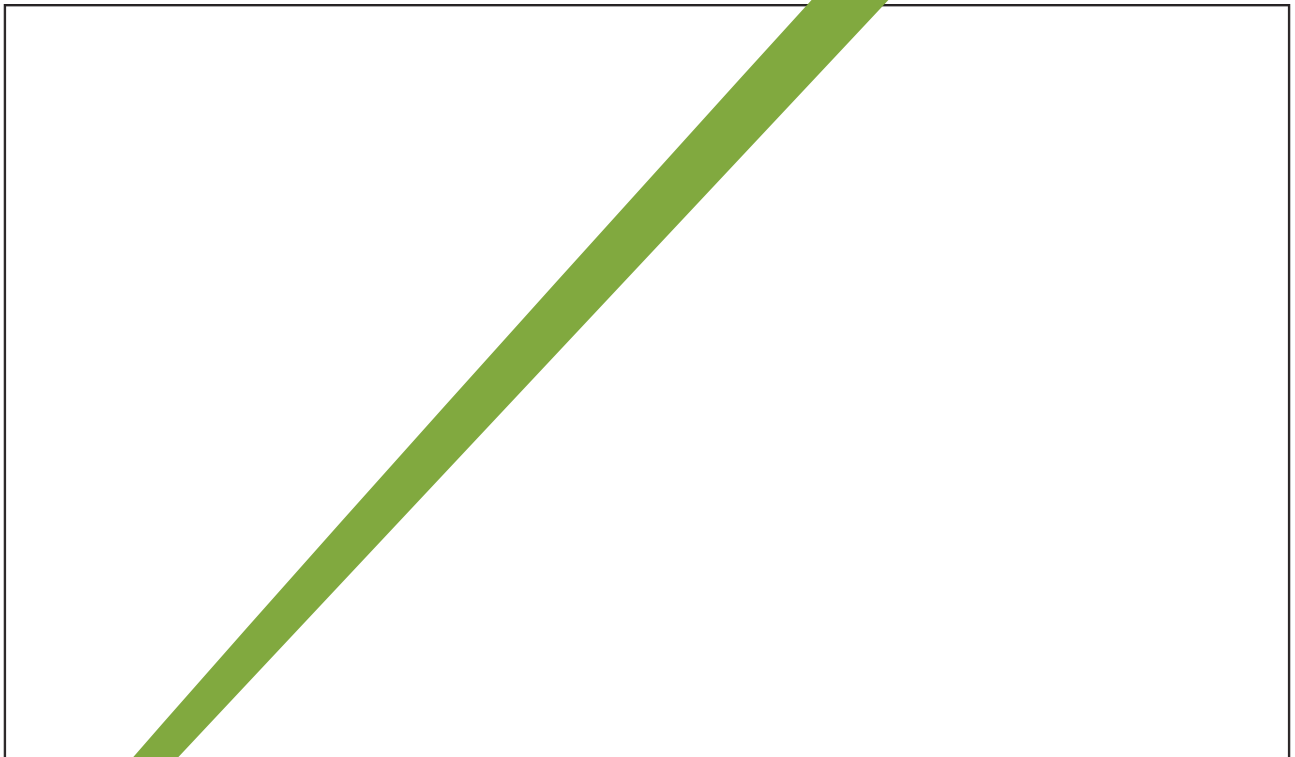
Sol a Energy

S a a E e H L t e

陽光能源控股有限公司

(Incorporated in the Ca man Islands with limited liability)

(St C 757)



SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 21 January 2021 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, 1 0,000,000 Subscription Shares at the Subscription Price of HK\$0.2 9per Subscription Share. The total consideration payable by the Subscriber under the Subscription Agreement amounts to HK\$52,200,000.

The principal terms of the Subscription Agreement are set out below:

Date: 21 January 2021 (after trading hours)

Parties: (1) the Company, as issuer; and
(2) the Subscriber.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber is an Independent Third Party.

Subscription Shares

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 1 0,000,000 Subscription Shares, representing:

- (1) approximately 5. 3% of the existing total number of issued Shares of 3,143, 1,133 Shares as at the date of this announcement; and
- (2) approximately 5.42% of the enlarged total number of issued Shares of 3,323, 1,133 Shares immediately following Completion, assuming that there will be no change in

Subscription Price

The Subscription Price of HK\$0.29 per Subscription Share represents:

- (i) a discount of approximately 11.3% to the closing price of HK\$0.355 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement;
- (ii) a discount of approximately 12.4% to the average closing price of HK\$0.331 per Share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to the date of the Subscription Agreement;
- (iii) a discount of approximately 9% to the average closing price of HK\$0.3215 per Share as quoted on the Stock Exchange for the last ten (10) trading days immediately prior to the date of the Subscription Agreement; and
- (iv) a discount of approximately 1.5% to the average closing price of HK\$0.310 per Share as quoted on the Stock Exchange for the last fifteen (15) trading days immediately prior to the date of the Subscription Agreement.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to, among others, (i) the prevailing market price of the Shares; and (ii) the recent perfo

Conditions Precedent

Completion of the Subscription under the Subscription Agreement is conditional upon the following conditions precedent being fulfilled (or waived, where applicable):

- (a) the listing division of the Stock Exchange granting listing of and permission to deal in the Subscription Shares (and such listing and permission not subsequently revoked) prior to the delivery of definitive share certificate(s) representing the Subscription S1.251F
- (b) all applicable laws and regulations relevant to the Subscription (including the Listing Rules and the Codes on Takeovers and Mergers and Share Buy-backs) having been complied with by the CompanyF
- (c) no judicial governmental or regulatory authorities making, issuing or ordering any order, judgement, limitations or decision to restrict or prohibit the transactions contemplated under the Subscription AgreementF
- (d) all necessary consents and approvals as may be required to be obtained in respect of the Subscription and the completion of transactions contemplated under the Subscription Agreement having been obtainedF
- (e) the representations, warranties and undertakings given by the Company under the Subscription Agreement remain true and accurate in all material respects, and not materially misleading, since the date of the Subscription Agreement and up to Completion; and
- (f) the representations, warranties and undertakings given by the Subscriber under the Subscription Agreement remain true and accurate in all material respects, and not materially misleading, since the date of the Subscription Agreement and up to Completion.

In the event the above conditions are not fulfilled or waived (where applicable) on or before 26 February 2021 (or such other date as the parties thereto may agree in writing), the obligations and liabilities of the Company and the Subscriber under the Subscription Agreement shall be null and void and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise except for any antecedent breaches of the terms and conditions of the Subscription Agreement, provided that the Company shall return the total consideration (if any) to the Subscriber.

Completion

Completion will take place on the second (2nd) Business Day after all the conditions precedent have been satisfied or waived (as the case may be), or such other date as the parties may agree in writing. At Completion, the Company will allot and issue 1 0,000,000 Subscription S1.251 to the Subscriber, and the Subscriber will or procure to make payments to the Company by bank transfer on the date of Completion.

GENERAL MANDATE

The Subscription Shares will be allotted and issued pursuant to the General Mandate, which has been granted to the Directors to allot and issue up to 62 , 54,226 Shares, representing 20% of the total number of Shares in issue as at the date of the AGM. As at the date of this announcement, the Company has not allotted and issued any Shares under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares is

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N :

1. 556, 24,443 Shares are directly held by Mr. Tan Wenhua; and 155,320,30 Shares are held by You Hua Investment Corporation, which is wholly-owned by Mr. Tan Wenhua.
2. Hiramatsu International Corp. is wholly-owned by Hiramatsu Hiroharu.
3. Wafer Works Investment Corp. is wholly-owned by Wafer Works Corp..

INFORMATION OF THE PARTIES

The Subscriber, Madam SZE Tan Hung, is an experienced investor. Madam SZE is the spouse of Tan Sri Datuk TUNG Ching Sai, who has more than 30 years' experience in the glass industry.

Based on the information provided by the Subscriber and to the best of the Directors' knowledge and information having made reasonable enquiries, as at the date of this announcement, the Subscriber is an existing Shareholder holding 3 ,614,000 Shares, representing approximately 1.26% of the issued share capital of the Company.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND USE OF PROCEEDS

The gross proceeds and net proceeds from the Subscription Agreement are estimated to be approximately HK\$52,200,000 and HK\$52,0 4,000, respectively. The Company intends to use the net proceeds from the Subscription as the Group's general working capital.

The Directors are of the view that the Subscription represents an opportunity for the Company to introduce the Subscriber as a strategic Shareholder and broaden the Shareholders' base. The Directors further believe that the Subscription can enhance its working capital, strengthen its capital base and financial position.

Having considered the aforesaid, the Directors (including the independent non-executive Directors) are of the view that the Subscription is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve (12) months immediately preceding the date of this announcement.

GENERAL

“Independent Third Party(ies)”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share(s)”	ordinary share(s) of par value HK\$0.10 each of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber”	Madam SZE Tan Hung, who is, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, an Independent Third Party;
“Subscription”	subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement;
“Subscription Agreement”	the conditional subscription agreement dated 21 January 2021 entered into between the Company as issuer and the Subscriber for the subscription of 1 0,000,000 Subscription Shares at the Subscription Price;
“Subscription Price”	HK\$0.2 per Subscription Share;
“Subscription Shares”	1 0,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement; and
“%”	per cent.

By Order of the Board
Solargiga Energy Holdings Limited
Wang Junze
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Hong Kong, 21 January 2021

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