

To : Business Editor
[For Immediate Release]



陽光能源控股有限公司
Solargiga Energy Holdings Limited

**Solargiga acquires entire issued share capital of Kinmac Solar
Further strengthen its downstream business**

[2 June 2009, Hong Kong] China's leading monocrystalline silicon solar ingots and wafers manufacturer, **Solargiga Energy Holdings Limited** ("**Solargiga**" or the "Company" and its subsidiaries, the "Group"; Stock Code: 757), announced that Solar Technology Investment (Cayman) Corp ("**STIC**"), a wholly-owned subsidiary of the Company, has entered into a legally binding memorandum of understanding in respect of acquiring the sale shares of Kinmac Solar Corporation ("**Kinmac Solar**"). The proposed acquisition marks another significant step to further strengthen the Group's capabilities in the downstream business following the establishment of Jinzhou Jinmao Photovoltaic Technology ("**Jin Zhou Jin Mao**") which is principally engaged in the production and sale of photovoltaic modules in April 2009.

STIC will purchase an aggregate of 44,239,980 sale shares, representing approximately 78.93% of the issued share capital of Kinmac at a consideration of NT\$22.00 per sale share. This is equivalent to an aggregate consideration of NT\$973,279,560 (approximately HK\$231,733,229). Major shareholders of Kinmac Solar will then apply to use the net proceeds from the disposal of the sale shares to subscribe for an aggregate of 78,924,124 new shares of Solargiga at HK\$2.92 per share, representing 4.44% of the Company's shareholding after completion of the subscription. Meanwhile, Kinmac Solar will procure the remaining minority shareholders to sell their shares to STIC under the same conditions in order to attain 100% of shares for STIC.

Kinmac Solar and its subsidiaries are engaged in the production of standard photovoltaic modules, design and installation of solar panel modules, building integrated photovoltaic ("**BIPV**"), roof tile type and light tile type photovoltaic modules in Europe and Taiwan. The company, which develops Solar Home System and its relevant products, has experienced technical, operation and quality control teams and its products have obtained TUV IEC61215, IEC61730 and CE certificates. Kinmac Solar's annual revenue totalled over NT\$1.4 billion in 2008, of which 70% was from Europe, its major sales market, and it will continue to expand its production capacity to 60 MW in 2009. Its subsidiary Kinmac Holdings currently holds 35% of Jinzhou Jinmao. Upon completion of the purchase of the sale shares, it is expected that Kinmac Solar's existing resources and market channels of photovoltaic modules will further facilitate the development of downstream business in both the PRC and abroad. As at 30 April 2009, the unaudited book value of Kinmac Solar and its subsidiaries in its entirety was NT\$853,377,421 (equivalent to approximately HK\$203,185,100).

Commenting on the acquisition, **Mr. HSU You Yuan, CEO and Executive Director of Solargiga,**



said, “Although the solar energy industry is affected by the global economic downturn, the PRC government continues to make great efforts in the development of green energy. Recently announced government subsidies for BIPV products will stimulate solar industry growth across the PRC. We are confident that the industry outlook in the PRC remains promising. Kinmac Solar has participated in various construction projects including the World Games Main Stadium Project with total 1 MW, the Liudui Hakaa Cultural Park in Pingtung City, the Heart of Huilan as a Photovoltaic City project and Taipei’s Fisherman’s Wharf, and etc... The company boasts over 10 years of experience and is operated by a proven team that includes specialists with international experience. Moreover, the company’s production facilities are all bought from renowned manufacturers in Japan and Europe, and the company’s new production lines are fully-automatic which provide customers with module products of stable quality and high efficiency.”

“Leveraging on the extensive industry experience and the leading market position in the sales and manufacturing of solar wafers, Solargiga is well-positioned to capture the enormous business opportunities by rapidly expanding its business into the downstream BIPV systems and photovoltaic modules. In the future, wafers and terminal systems will be sold under the brand of Solargiga, while the photovoltaic module market will be served by Kinmac Solar, aiming at achieving the greatest collaboration effect,” he continued.

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