卡姆丹克太陽能系統集團有限公司
Comtec Solar Systems Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 712)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

RESULTS HIGHLIGHTS

- Revenue of RMB1,021.4 million
- Gross profit of RMB330.6 million
- Gross margin of 32.4%
- Net profit of RMB222.9 million
- Adjusted net profit of RMB260.9 million by excluding the non-cash, one-off share-based compensation of approximately RMB38.0 million for the vesting of the restricted shares.
- Earning per share of RMB21.0 cents
- Adjusted earning per share of RMB24.6 cents by excluding the non-cash, one-off share-based compensation of approximately RMB38.0 million for the vesting of the restricted shares.

OPERATIONAL HIGHLIGHTS

- Production capacity reached 600 MW by the end of 2010
- Further expansion to approximately 1 GW in the second half of 2011
- Overall shipment volume reached 175.3 MW

CHAIRMAN'S STATEMENT

On behalf of Comtec Solar Systems Group Limited, I am pleased to present the audited annual results of the Group for the year ended 31 December 2010. During the year, our results were strong by all measures.

Here are some financial and business highlights for the year:

- Revenue for the year was RMB1,021.4 million (equivalent to HKD1,198.9 million), up 101.5 % year-on-year from RMB506.9 million for the year ended 31 December 2009;

- Gross profit for the year was RMB330.6 million (equivalent to HKD388.1 million), up 500.0 % year-on-year from RMB55.1 million for the year ended 31 December 2009;

- Gross profit margin for the year was 32.4%, improved from 10.9% for the year ended 31 December 2009;

- Net profit for the year was RMB222.9 million (equivalent to HKD261.6 million), up 795.2 % year-on-year from RMB24.9 million for the year ended 31 December 2009;

- Net profit margin for the year was 21.8%, improved from 4.9% for the year ended 31 December 2009;

- Our earning per share for the year was RMB21.0 cents (equivalent to HKD24.7 cents), up 556.3% year-on-year from RMB3.2 cents for the year ended 31 December 2009;

- We recorded a share-based compensation of approximately RMB38.0 million for the vesting of restricted shares granted before our listing of the Company's shares on the Main Board of the Stock Exchange (the "IPO") during the year ended 31 December 2010. Excluding this non-cash and one-off expense, our adjusted net profit would be approximately RMB260.9 million;

- Excluding the non-cash and one-off share-based compensation of approximately RMB38.0 million for the vesting of restricted shares, our adjusted earning per share would be RMB24.6 cents (equivalent to HKD28.9 cents).

- Overall shipment (including both sales and processing services) for the year was 175.3MW;

- Sales of our 156mm by 156mm monocrystalline solar wafer for the year represented 88.2% of total revenues, up from 46.3% for the corresponding period in 2009;

- The annualized production capacity has been expanded to approximately 600MW by the end of 2010; and

- The Group has been ranked by Green World Investor, a reputable green funds' blog, on 1 March 2011 as one of the world's top 10 solar wafer companies.

For the year ended 31 December 2010, we delivered record revenue as strong demand on our quality wafers coupled with improved pricing environment in the industry. Comtec's industry-leading brand recognition enabled us to capitalize on favorable industry demand and to deliver robust performance.

We pioneered to launch the 156 mm by 156 mm monocrystalline wafers since early 2007. For the year ended 31 December 2010, demand from our customers for our quality 156 mm by 156 mm wafers was strong. Sales of our 156 mm by 156 mm monocrystalline solar wafers in 2010 represented 88.2% of our total revenues, up from 46.3% for the corresponding period in 2009. We also obtained pilot orders for our 210 mm by 210 mm solar wafers during the year. In an increasingly competitive market of solar products, we strive to differentiate ourselves by staying committed to offering value-added products with premium quality to our customers. The Comtec Solar brand is synonymous with quality. We maintain the strength of our brand by executing a stringent manufacturing process, tailoring our products to accommodate our customers' needs and leveraging on our extensive track record on superior product quality.

During 2010, our sales to PRC and Taiwan-based customers represented approximately 99.0% of our total revenue, comparing to 92.9% in the same period last year. We believe that the leading solar cell enterprises in Greater China region enjoy superior cost effectiveness compared to other market players, and thus it is our strategy to strengthen our business relationships with such leading solar cell companies with a view to create substantial value for the long-term development of the Group.

We also benefited from our continuous cost reduction efforts and efficient execution to improve the profitability in 2010. Our gross profit in 2010 was RMB330.6 million, up 500.0% year-on-year from RMB55.1 million for the corresponding period in 2009. Our gross margin in 2010 also improved to over 32.4% from 10.9% in the corresponding period in 2009. Our net profit in 2010 was RMB222.9 million, up approximately 795.2% year-on-year from RMB24.9 million for the corresponding period in 2009. Our net profit margin in 2010 expanded to over 21.8% from 4.9% in the corresponding period in 2009.

Owing to our continual efforts to improve technology and manufacturing process as well as supply chain management initiatives, the Group has been successful in reducing its cost of production. Our origin as a manufacturer of semiconductor ingots and wafers since 1999 provides us with a strong technical background which we have been able to utilize to attain high quality standards in the production of monocrystalline solar wafers. It enables us to keep improving the cost effectiveness of our production. Through the Company's diversified range of short, medium, and long-term supply contracts, our silicon costs during 2010 stayed competitive relative to the prevailing market spot price.

In response to strong market demand and customer requests on our premium products, which have high value-added features and are technically advanced, such as our 156 mm by 156 mm solar wafers, we are in the process of expanding our manufacturing capacity to support our customers' growth and their growing demand for our products. We have expanded our annualized production capacity to 600MW by the end of 2010. During the first half of 2011, we would gradually ramp up the newly installed capacity. Due to the strong demand on our quality wafers, we will further expand to approximately 1GW in the second half of 2011. The capital expenditures for expansion from 600MW to 1GW would be approximately RMB500 million.

In September 2010, the Company successfully closed a top up placement to issue 100 million new shares and raised a gross proceed of HK$230 million. The proceeds has contributed as funding for the Group's expansion and has further strengthened our financial position. Coupled with the strong cash flow from our operating activities and our disciplined capital expenditures, we maintained a net cash balance of approximately RMB123.7 million by the end of 2010.

At present, solar energy is still a relatively high cost method for generating power, compared to traditional sources. However, the cost of generating power of solar energy per watt had reduced substantially due to the decrease of polysilicon costs, continuous upgrading of production techniques and enhancement of operational effectiveness in the industry. The said reduction in polysilicon prices has accelerated the industry's progress towards grid-parity and created opportunities for the Group. We believe the demand on solar product is highly price-elastic. The continuous decrease on selling price driven by the cost reduction would sustain the strong prospects of the solar energy industry.

Currently, countries including Germany, Italy and Japan are the major end-markets. These countries are promoting solar generation by implementing proactive policies, such as government grants, leading to the fast development of the PV manufacturing industry. The PRC and the United States, being the largest energy consuming countries in the world, together with Greece, France, Australia and the Middle East are promising solar energy markets with substantial potential in the future. Regardless of the reduction of FiT (Feed-in Tariff) by various governments, the continuous cost reduction would fuel the robust growth of demand on solar products.

With our high-quality products, successful brand penetration, strong customer loyalties, powerful research and development capabilities and fast expanding capacity, we are confident in solidifying our leading position in the rapidly growing industry and further increasing our market shares. Looking ahead, we will remain focused on our core wafer business where we have demonstrated solid track records and established competitive advantages. We believe such focus will best position our Group in the fast growing and increasingly competitive market of solar products. With strong performance achieved in 2010 and solid strategies in place, we are confident to capture enormous opportunities in the upcoming era of clean and economical power of solar energy, to driving continued healthy growth for the Group in the future.

On 1 March 2011, the Group was ranked by Green World Investors, a reputable green funds' blog, as one of top 10 wafer companies in the world. We would fully focus on our core business to further strengthen our competitive advantage in the industry.

On behalf of the Board, I would like to express my sincere gratitude to our shareholders and business partners for their support and trust in us, and also to our management and employees for their hard work. We look forward to creating greater value and return for our shareholders.

John Zhang
Chairman

ANNUAL RESULTS

The board of directors of Comtec Solar Systems Group Limited is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2010, together with the comparative figures for the corresponding year in 2009. These results have been reviewed by the Company's audit committee, comprising solely the independent non-executive Directors, one of whom chairs the committee.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 31 December	
		2010	**2009**
	NOTES	*RMB'000*	*RMB'000*
Revenue	3	1,021,371	506,876
Cost of sales		(690,786)	(451,760)
Gross profit		330,585	55,116
Other income		26,573	4,853
Other gains and losses	4	(9,117)	1,846
Distribution and selling expenses		(1,793)	(2,221)
Administrative expenses		(75,756)	(18,185)
Other expenses	5	—	(3,410)
Interest expense		(7,401)	(6,669)
Profit before taxation	6	263,091	31,330
Taxation	7	(40,151)	(6,389)
Profit and total comprehensive income for the year, attributable to the owners of the Company		222,940	24,941
		RMB cents	*RMB cents*
Earnings per share			
— Basic	8	21.03	3.22
— Diluted	8	21.01	3.22

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	**2010** *RMB'000*	**2009** *RMB'000*
Non-current assets			
Property, plant and equipment		715,847	427,582
Prepaid lease payments — non-current		21,473	15,209
Deposits paid for acquisition of property, plant and equipment		118,299	39,672
Advance to suppliers		279,499	183,810
Deferred tax assets		689	1,451
		1,135,807	667,724
Current assets			
Inventories	9	247,803	108,354
Trade and other receivables	10	155,467	166,128
Bills receivable	10	2,000	32,006
Advance to suppliers		77,180	36,903
Prepaid lease payments — current		458	322
Bank balances and cash		293,677	399,238
		776,585	742,951
Current liabilities			
Trade and other payables	11	193,746	198,537
Customers' deposits received		13,770	25
Taxation payable		19,077	714
Short-term bank loans		170,000	146,000
		396,593	345,276
Net current assets		379,992	397,675
Total assets less current liabilities		1,515,799	1,065,399
Capital and reserves			
Share capital		998	910
Reserves		1,510,345	1,060,715
Total equity		1,511,343	1,061,625
Non-current liability			
Deferred tax liabilities		4,456	3,774
		1,515,799	1,065,399

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company is a public limited company incorporated in the Cayman Island, and its shares are listed on the Stock Exchange on 30 October 2009. Its parent company and ultimate holding company is Fonty Holdings Limited ("**Fonty**") incorporated in the British Virgin Islands with limited liability. Its ultimate controlling party is Mr. John Zhang ("**Mr. Zhang**").

The Company is an investment holding company. The principal activities of the Company's subsidiaries are the manufacturing and sales of solar wafers, semiconductors and related products.

The consolidated financial statements are presented in Renminbi ("**RMB**"), the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSS")/CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied a number of new and revised standards, amendments to standards and interpretations ("new and revised IFRSs") issued by the International Accounting Standards Board ("IASB"). Except as described below, the adoption of the new and revised IFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

The Group applies IFRS3 (Revised 2008) "Business Combinations" prospectively to business combinations for which the acquisition date is on or after 1 January 2010.

As there was no transaction during the current year in which IFRS3 (Revised 2008) is applicable, the application of IFRS3 (Revised 2008) and the consequential amendments to other IFRSs had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which IFRS3 (Revised 2008) and the consequential amendments to the other IFRSs are applicable.

The application of IAS 27 (revised 2008) has resulted in changes in the Group's accounting policies for changes in ownership interests in subsidiaries of the Group. Specifically, IAS 27 (revised 2008) has affected the Group's accounting policies regarding changes in the Group's ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in IFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the noncontrolling interests was recognised in profit or loss. Under IAS 27 (revised 2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, IAS 27 (revised 2008) requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amounts and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

These changes have been applied prospectively from 1 January 2010 in accordance with the relevant transitional provisions. The application of IAS 27 (revised 2008) has no material impact on the consolidated financial statements for the year ended 31 December 2010.

Change in presentation of consolidated statement of comprehensive income

In the current year, the directors of the Company decided to change the classification of certain line items in the consolidated statement of comprehensive income by presenting net exchange difference and gain or loss arising on the disposal of an item of property, plant and equipment as part of the Group's other gains and losses to better reflect the relevance of financial information of the Group's activities. Prior year figures have been re-presented to reflect the new presentation. The reclassification has had no net effect on the results of the Group for 2009.

The effect of changes in presentation for the prior year by line items presented in the consolidated statement of comprehensive income is as follows:

	Year ended 31 December 2009 *RMB'000*
Decrease in other income	(1,846)
Increase in other gains and losses	1,846
Change in loss for the year	—

No consolidated statement of financial position as at 1 January 2009 has been presented as the change in accounting policy and re-classifications disclosed above have no effects on the financial position of the Group presented in the consolidated statement of financial position in respect of the end of the previous financial year.

At the date of this report, the IASB has issued the following new and revised IFRSs which are not yet effective. The Group has not early adopted the following new and revised IFRSs that have been issued but are not yet effective:

IFRSs (Amendments)	Improvements to IFRSs 2010[1]
IFRS 1 (Amendments)	Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters[2]
IFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[3]
IFRS 7 (Amendments)	Disclosures — Transfers of Financial Assets[3]

IFRS 9	Financial Instruments[4]
IAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[5]
IAS 24 (Revised)	Related Party Disclosures[6]
IAS 32 (Amendments)	Classification of Rights Issues[7]
IFRIC - Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement[6]
IFRIC - Int 19	Extinguishing Financial Liabilities with Equity Instruments[2]

[1] Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

[2] Effective for annual periods beginning on or after 1 July 2010

[3] Effective for annual periods beginning on or after 1 July 2011

[4] Effective for annual periods beginning on or after 1 January 2013

[5] Effective for annual periods beginning on or after 1 January 2012

[6] Effective for annual periods beginning on or after 1 January 2011

[7] Effective for annual periods beginning on or after 1 February 2010

IFRS 9 Financial Instruments (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. IFRS 9 Financial instruments (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

The directors anticipate that the application of the above new and revised standards, amendments or interpretations will not have material impact on the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group is mainly operating in manufacturing and sales of solar wafers and related products. Mr. Zhang, the chief operating decision maker of the Group, regularly reviews revenue analysis by major products and the profit of the Group as a whole for the purposes of performance assessment and making decisions about resources allocation. Accordingly, the Group has only one operating segment for financial reporting purpose.

Entity-wide disclosures

Revenue analysed by major products

The following table sets forth a breakdown of the Group's revenue from manufacturing and sales of solar wafers, related products and other products for the year:

	2010	**2009**
	RMB'000	*RMB'000*
Manufacturing and sales of solar products:		
Monocrystalline solar wafers	1,017,723	466,511
Monocrystalline solar ingots	—	19,214
Sub-total	1,017,723	485,725
Others:		
Semiconductor products	558	9,586
Others *(note)*	3,090	11,565
Total revenue	1,021,371	506,876

Note: Included revenue from sale of materials, such as monocrystalline silicon and recyclable silicon.

Revenue reported above represents revenue generated from external customers. There were no sales between the solar products and the semiconductors operating units during both years.

Revenue and assets analysed by place of domicile of group entities

The analysis of the Group's revenue based on geographical location of external customers attributed to the country of domicile of the relevant group entities, which is the PRC, and to other foreign countries during the year is as follows:

	2010	**2009**
	RMB'000	*RMB'000*
Place of domicile of group entities:		
Mainland China	890,708	404,968
Other countries/places:		
Taiwan	119,877	65,950
Germany	4,183	29,030
Thailand	—	5,859
Other countries *(note)*	6,603	1,069
Total revenue	1,021,371	506,876

All of the Group's non-current assets, including property, plant and equipment, prepaid lease payments, deposits paid for acquisition of property, plant and equipment and advance to suppliers, are located in the group entities' country of domicile, the PRC, at the end of year.

Note: The customers located in other countries/places are mainly from other Asian countries and the United States.

Information about major customers

Details of the customers accounting for 10% or more of total revenue of the Group are as follows:

	2010	**2009**
	RMB'000	*RMB'000*
Customer A	223,718	*
Customer B	134,526	*
Customer C	*	87,333
Customer D	*	70,214

** Less than 10%*

4. OTHER GAINES AND LOSSES

	2010	**2009**
	RMB'000	*RMB'000*
Net foreign exchange (losses) gains	(6,946)	1,843
(Loss) gain on disposal of property, plant and equipment	(2,171)	3
	(9,117)	1,846

5. OTHER EXPENSES

	2010	2009
	RMB'000	*RMB'000*
Share-based payments expense	—	68
Legal and professional fees *(note)*	—	3,342
	—	3,410

Note: The amount mainly represented the legal and professional expenses incurred for the IPO in the year ended 31 December 2009.

6. PROFIT BEFORE TAXATION

	2010	2009
	RMB'000	*RMB'000*
Profit before taxation has been arrived at after charging:		
Directors' remuneration *(note (i))*	23,065	2,410
Other staff costs	23,570	13,913
Other staff's retirement benefits scheme contributions	4,045	2,303
Share-based payments expense for other staff *(note (i))*	20,665	—
Total staff costs	71,345	18,626
Auditor's remuneration	1,292	959
Non-audit service	580	634
	1,872	1,593
Cost of inventories recognised as expense	690,786	451,760
Depreciation of property, plant and equipment	39,605	22,941
Impairment loss recognised in respect of trade receivables	2,744	—
Release of prepaid lease payments	390	322
Research and development expenses	8,223	3,544
Operating lease rentals in respect of rented premises	1,420	966

Note i: Directors' remuneration and share-based payments expense for other staff included share-based payments expense recognised during the year and included in administrative expenses of (a) approximately RMB2,220,000 (2009: nil) in respect of share options of the Company recognised during the year; and (b) approximately RMB37,958,000 (2009: nil) in respect of the restricted shares of the Company recognised during the year.

7. TAXATION

	2010 *RMB'000*	2009 *RMB'000*
Current tax:		
Hong Kong Profits Tax	—	—
PRC Enterprise Income Tax		
— Current year	38,707	—
— Underprovision in prior years	—	766
	38,707	766
Deferred taxation:		
— Current year	1,444	5,623
	40,151	6,389

No Hong Kong Profits Tax has been provided as the group entities either have no relevant assessable profits or incurred tax losses for the years.

PRC income tax is calculated at the applicable tax rates in accordance with the relevant laws and regulations in the PRC. The tax rate of the PRC subsidiaries is 25%.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the year is based on the following data:

	2010 *RMB'000*	2009 *RMB'000*
Profits		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	222,940	24,941
Number of shares		
Weighted average number of ordinary and preferred shares for the purpose of basic earnings per share	1,059,931,759	773,650,415
Effect of dilutive potential ordinary shares:		
Options	964,674	—
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,060,896,433	773,650,415

The outstanding share options of the Company did not have a dilutive effect to the Company's earnings per share during the year ended 31 December 2009 because the exercise prices of the Company's share options were higher than the average market prices of the Company's shares during that year.

In calculating the weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the year ended 31 December 2010 and 31 December 2009:

— the shares that were issued on 30 October 2009 pursuant to capitalisation issue of shares are treated as if they had been in issue throughout the year ended 31 December 2009; and

— preference shares outstanding during the year ended 31 December 2009 which shared similar characteristics of the ordinary shares, except for the liquidation preference and mandatorily convertible feature automatically upon the IPO, were considered as ordinary shares for the purpose of calculation of basic earnings per share.

9. INVENTORIES

	2010	**2009**
	RMB'000	*RMB'000*
Raw materials	216,400	83,587
Work-in-progress	13,373	11,783
Finished goods	18,030	12,984
	247,803	108,354

10. TRADE AND OTHER RECEIVABLES AND BILLS RECEIVABLE

	2010	**2009**
	RMB'000	*RMB'000*
Trade receivables	73,326	121,601
Utility deposits	1,873	656
Value-added-tax recoverable	71,040	39,162
Other receivables and prepayments	9,228	4,709
	155,467	166,128
Bills receivable	2,000	32,006

The following is an aged analysis of trade receivables net of allowance for dobutful debts presented based on the invoice date at the end of the year:

	2010	2009
	RMB'000	*RMB'000*
Age		
0 to 30 days	49,317	79,525
31 to 60 days	22,431	21,595
61 to 90 days	1,575	9,783
91 to 180 days	3	8,043
Over 180 days	—	2,655
	73,326	121,601

The following is an aged analysis of bills receivable presented based on the invoice date at the end of the year:

	2010	2009
	RMB'000	*RMB'000*
Age		
31 to 60 days	2,000	6,893
91 to 180 days	—	25,113
	2,000	32,006

11. TRADE AND OTHER PAYABLES

	2010	2009
	RMB'000	*RMB'000*
Trade payables	63,174	76,680
Value-added tax payables	403	792
Payables for acquisition of property, plant and equipment	117,774	104,260
Other payables and accrued charges	12,395	16,805
	193,746	198,537

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

	2010	2009
	RMB'000	*RMB'000*
Age		
0 to 30 days	44,940	50,598
31 to 60 days	15,866	18,318
61 to 90 days	441	2,067
91 to 180 days	547	3,547
Over 180 days	1,380	2,150
	63,174	76,680

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

For the year ended 31 December 2010, we delivered record revenue as strong demand on our quality wafers coupled with improved pricing environment in the industry. During the year, our sales volume was approximately 165.5 MW (total shipment of approximately 175.3 MW, including both sales and processing services), increased from 81.6MW in 2009 by 102.9%, which was the highest shipments in our Group's history. Comtec's industry-leading brand recognition enabled us to capitalize on favorable industry demand and to deliver robust performance.

We pioneered to launch the 156 mm by 156 mm monocrystalline wafers since early 2007. For the year ended 31 December 2010, demand from our customers for our quality 156 mm by 156 mm wafers was strong. Sales of our 156 mm by 156 mm monocrystalline solar wafers in 2010 represented 88.2% of our total revenues, up from 46.3% for the corresponding period in 2009. We also obtained pilot orders for our 210 mm by 210 mm solar wafers during the year. In an increasingly competitive market of solar products, we strive to differentiate ourselves by staying committed to offering value-added products with premium quality to our customers. The Comtec Solar brand is synonymous with quality. We maintain the strength of our brand by executing a stringent manufacturing process, tailoring our products to accommodate our customers' needs and leveraging on our extensive track record on superior product quality.

Our top five customers in 2010 represented 60.5% of our total revenues, comparing to 58.0% in the corresponding period last year. Our largest customer accounted for approximately 21.9% of our total revenues in 2010 while the largest customer represented approximately 17.2% in 2009. During 2010, our sales to PRC and Taiwan-based customers represented approximately 99.0% of our total revenue, comparing to 92.9% in the same period last year. We believe that the leading solar cell enterprises in Greater China region enjoy superior cost effectiveness compared to other market players, and thus it is our strategy to strengthen our business relationships with such leading solar cell companies with a view to create substantial value for the long-term development of the Group.

We also benefited from our continuous cost reduction efforts and efficient execution to improve the profitability in 2010. Our gross profit in 2010 was RMB330.6 million, up 500.0% year-on-year from RMB55.1 million for the corresponding period in 2009. Our gross margin in 2010 also improved to over 32.4% from 10.9%

in the corresponding period in 2009. Our net profit in 2010 was RMB222.9 million, up approximately 795.2% year-on-year from RMB24.9 million for the corresponding period in 2009. Our net profit margin in 2010 expanded to over 21.8% from 4.9% in the corresponding period in 2009.

Owing to our continual efforts to improve technology and manufacturing process as well as supply chain management initiatives, the Group has been successful in reducing its cost of production. Our origin as a manufacturer of semiconductor ingots and wafers since 1999 provides us with a strong technical background which we have been able to utilize to attain high quality standards in the production of monocrystalline solar wafers. It enables us to keep improving the cost effectiveness of our production. Through the Company's diversified range of short, medium, and long-term supply contracts, our silicon costs during 2010 stayed competitive relative to the prevailing market spot price. Our average unit cost for polysilicon was approximately RMB351.5 per kg for the year ended 31 December 2010, as compared to approximately RMB501.2 per kg for the year ended 31 December 2009.

In response to strong market demand and customer requests on our premium products, which have high value-added features and are technically advanced, such as our 156 mm by 156 mm solar wafers, we are in the process of expanding our manufacturing capacity to support our customers' growth and their growing demand for our products. We have expanded our annualized production capacity to 600MW by the end of 2010. We will further expand to approximately 1GW in the second half of 2011.

In September 2010, the Company successfully closed a top up placement to issue 100 million new shares and raised a gross proceed of HK$230 million. The proceeds has contributed as funding for the Group's expansion and has further strengthened our financial position. Coupled with the strong cash flow from our operating activities and our disciplined capital expenditures, we maintained a net cash balance of approximately RMB123.7 million by the end of 2010.

At present, solar energy is still a relatively high cost method for generating power, compared to traditional sources. However, the cost of generating power of solar energy per watt had reduced substantially due to the decrease of polysilicon costs, continuous upgrading of production techniques and enhancement of operational effectiveness in the industry. The said reduction in polysilicon prices has accelerated the industry's progress towards grid-parity and created opportunities for the Group. We believe the demand on solar product is highly price-elastic. The continuous decrease on selling price driven by the cost reduction would sustain the strong prospects of the solar energy industry.

Currently, countries including Germany, Italy and Japan are the major end-markets. These countries are promoting solar generation by implementing proactive policies, such as government grants, leading to the fast development of the PV manufacturing industry. The PRC and the United States, being the largest energy consuming countries in the world, together with Greece, France, Australia and the Middle East are promising solar energy markets with substantial potential in the future. Regardless of the reduction of FiT (Feed-in Tariff) by various governments, the continuous cost reduction would fuel the robust growth of demand on solar products.

With our high-quality products, successful brand penetration, strong customer loyalties, powerful research and development capabilities and fast expanding capacity, we are confident in solidifying our leading position in the rapidly growing industry and further increasing our market shares. Looking ahead, we will remain focused on our core wafer business where we have demonstrated solid track records and established competitive advantages. We believe such focus will best position our Group in the fast growing and increasingly competitive market of solar products. With strong performance achieved in 2010 and solid strategies in place, we are confident to capture enormous opportunities in the upcoming era of clean and economical power of solar energy, to driving continued healthy growth for the Group in the future.

On 1 March 2011, the Group was ranked by Green World Investors, a reputable green funds' blog, as one of top 10 wafer companies in the world. We would fully focus on our core business to further strengthen our competitive advantage in the industry.

Revenue

Revenue increased by RMB514.5 million, or 101.5%, from RMB506.9 million for the year ended 31 December 2009 to RMB1,021.4 million for the year ended 31 December 2010, primarily as a result of strong growth in our sales volume and stabilizing in average selling price. Due to the increase in customer demand for our high quality monocrystalline solar products, our sales volume increased by 102.9% from 81.6 MW for the year ended 31 December 2009 to 165.5 MW for the year ended 31 December 2010.

For the year ended 31 December 2010, sales of our 156 mm by 156 mm monocrystalline solar wafers comprised 88.2% of total revenue and sales of our 125 mm by 125 mm monocrystalline solar wafers comprised 11.4% of total revenue. In aggregate, solar wafer sales comprised 99.6% of our total sales, as compared to 92.0% for the year ended 31 December 2009. There is no sales of solar ingots for the year ended 31 December 2010, as compared to 3.8% for the year ended 31 December 2009. Sales of our semiconductor products comprised 0.1% of our total sales in the year ended 31 December 2010, compared to 1.9% in the year ended 31 December 2009.

Sales of monocrystalline solar wafers

Revenue from sales of 156 mm by 156 mm monocrystalline solar wafers increased by RMB666.2 million, or 283.9%, from RMB234.7 million for the year ended 31 December 2009 to RMB900.9 million for the year ended 31 December 2010, primarily as a result of an increase of sales volume by 268.7% from 39.2MW for the year ended 31 December 2009 to 144.7MW for the year ended 31 December 2010, plus a slightly increase in our average unit price for this product by 4.1% from RMB6.0 per watt for the year ended 31 December 2009 to RMB6.2 per watt for the year ended 31 December 2010.

Revenue from sales of 125 mm by 125 mm monocrystalline solar wafers decreased by RMB115.0 million, or 49.6%, from RMB231.8 million for the year ended 31 December 2009 to RMB116.8 million for the year ended 31 December 2010, primarily due to our change of focus on the sale of 156 mm by 156 mm monocrystalline solar wafers which resulting in a decrease in our sales volume of 125 mm by 125 mm monocrystalline wafers by 46.8% from 39.2 MW for the year ended 31 December 2009 to 20.8 MW for the year ended 31 December 2010. In addition, there was a slight decrease in our average unit price for this product by 5.2% from RMB5.9 per watt for the year ended 31 December 2009 to RMB5.6 per watt for the year ended 31 December 2010.

Sales of solar ingots and semiconductor products and other revenues

There is no revenue from sales of solar ingots for the year ended 31 December 2010, as compared to RMB19.2 million for the year ended 31 December 2009, primarily due to our focus on sales of monocrystalline solar wafers. Thus we internally consumed the solar ingots produced. Revenues from sales of semiconductor products decreased by RMB9.0 million, or 93.8%, from RMB9.6 million for the year ended 31 December 2009 to RMB0.6 million for the year ended 31 December 2010. primarily due to our shift of focus to solar business. Our other revenues decreased by RMB8.5 million, or 73.3%, from RMB11.6 million for the year ended 31 December 2009 to RMB3.1 million for the year ended 31 December 2010, mainly due to the decrease in our sale of recyclable silicon.

In relation to the analysis of our revenue by geographical market, approximately 87.2% of total revenue for the year ended 31 December 2010 was generated from our PRC-based customers (2009: 79.9%). Remaining portion was mainly generated from Taiwan customers.

Cost of sales

Cost of sales increased by RMB239.0 million, or 52.9%, from RMB451.8 million for the year ended 31 December 2009 to RMB690.8 million for the year ended 31 December 2010, primarily as a result of the increase in shipment volume, partially offset by a decrease in the average prices of polysilicon by 29.9% during the year ended 31 December 2010 to RMB351.5 per kg from the average prices of RMB501.2 per kg for the year ended 31 December 2009 as well as the improvement in production efficiency.

Gross profit

Gross profit increased by RMB275.5 million, or 500.0%, from RMB55.1 million for the year ended 31 December 2009 to RMB330.6 million for the year ended 31 December 2010, primarily as a result of the above.

Other income

Other income increased by RMB21.6 million, or 440.8%, from RMB4.9 million for the year ended 31 December 2009 to RMB26.6 million for the year ended 31 December 2010, primarily due to the increase in government grants of approximately RMB19.1 million.

Other gains and losses

Other gains decreased by RMB11.0 million from the gains of RMB1.8 million for the year ended 31 December 2009 to the losses of RMB9.1 million for the year ended 31 December 2010, primarily due to the net foreign exchange losses amounting to approximately RMB6.9 million as well as the losses on disposal of old equipments of approximately RMB2.2 million.

Distribution and selling expenses

Distribution and selling expenses decreased by RMB0.4 million from RMB2.2 million for the year ended 31 December 2009 to RMB1.8 million for the year ended 31 December 2010. It was mainly due to the strong market environment and tight supply of wafers.

Administrative and general expenses

Administrative and general expenses increased by RMB57.6 million, or 316.5%, from RMB18.2 million for the year ended 31 December 2009 to RMB75.8 million for the year ended 31 December 2010, mainly due to the non-cash, one-off expenses for vesting of restricted shares in December 2010 of approximately RMB38.0 million and the increase in expenses for share-based payments of RMB2.2 million for vesting of share options in 2010 as well as the significant growth in the scale of our operations during the Year.

Other expenses

There is no other expense for the year ended 31 December 2010, as compared to RMB3.4 million for the year ended 31 December 2009 which mainly represented the legal and professional expenses incurred for our IPO.

Interest expenses

Interest expenses in relation to bank loans increased by RMB0.7 million from RMB6.7 million for the year ended 31 December 2009 to RMB7.4 million for the year ended 31 December 2010, primarily as a result of an increase in the amount of bank loans borrowed. The increase of bank borrowings was mainly for working capital purposes.

Profit before taxation

Profit before taxation increased by RMB231.8 million, or 740.6%, from RMB31.3 million for the year ended 31 December 2009 to RMB263.1 million for the year ended 31 December 2010, as a result of the foregoing.

Taxation

Taxation increased from RMB6.4 million for the year ended 31 December 2009 to RMB40.2 million for the year ended 31 December 2010, primarily as a result of the increase in our profit before taxation. Our effective tax rate was 15.3% for the year ended 31 December 2010, decreased from 20.4% for the year ended 31 December 2009. Higher effective tax rate for the year ended 31 December 2009 was primarily due to the material drop of profit before taxation of Comtec Solar (Shanghai) in 2009, which accounted for most of our profit before taxation, and the increase in general and administrative expenses and the expenses for our IPO, which were not deductible against the profit before taxation of Comtec Solar (Shanghai). For the year ended 31 December 2010, no expense in relation to the IPO was incurred, and as a result our effective tax rate for the year was lower as compared to that of the year ended 31 December 2009.

Profit for the year

Net profit increased by RMB198.0 million, or 795.2%, from RMB24.9 million for the year ended 31 December 2009 to RMB222.9 million for the year ended 31 December 2010, as a result of the foregoing. Net profit margin increased from 4.9% for the year ended 31 December 2009 to 21.8% for the year ended 31 December 2010.

Inventory turnover days

The inventories of the Group mainly comprised of raw materials (namely polysilicon, crucibles and other auxiliary materials) for production requirements. The increase in inventories was mainly due to the expansion in the production capacity of the Group and the tight supply of polysilicon by the end of 2010. The inventory turnover days as at 31 December 2010 totalled 131 days (2009: 88 days).

Trade receivable turnover days

The trade receivable turnover days as at 31 December 2010 totaled 26 days (2009: 88 days). The decrease in turnover days was mainly due to the improvement of payment terms under the strong market environment in 2010 and our receivable turnover days was within the credit periods of the Group grants to its customers. The Group normally grants a credit period of 30 to 90 days to its customers.

Trade payable turnover days

The trade payable turnover days as at 31 December 2010 totaled 33 days (2009: 62 days). The decrease in turnover days was mainly due to the change of payment terms upon the strong market environment in 2010.

Liquidity and financial resources

The Group's principal sources of working capital included cash flow from operating activities, bank borrowings and the proceeds from the share placement. As at 31 December 2010, the Group's current ratio (current assets divided by current liabilities) was 2.0 (2009: 2.2) and it was in a net cash position. The Group's financial position remains healthy. As at 31 December 2010, the Group was in a net cash position of RMB123.7 million (2009: RMB253.2 million) which included cash and cash equivalent of RMB293.7 million (2009: RMB399.2 million) and short-term bank loans of RMB170.0 million (2009: RMB146.0 million). The Group's borrowings were denominated in RMB while its cash and bank balances were denominated in RMB, US$, HK$, JPY and Euro. The short-term bank loans carry variable interest rates based on the benchmark interest rates issued by the People' s Bank of China at 31 December 2010. As at 31 December 2010, RMB100 million of the Group's short-term bank loans was secured by fixed charges on certain of the Group's assets, including buildings and construction in progress having book values of approximately RMB97,164,000 and RMB15,209,000, respectively.

On 9 September 2010, Fonty Holdings Limited ("Fonty"), Mr. John Zhang, our Company and Yuanta Securities (Hong Kong) Company Limited (the "**Placing Agent**") entered into a placing and subscription agreement pursuant to which the

Placing Agent agreed to place, on a best efforts basis, up to 100,000,000 existing Shares owned by Fonty to not fewer than six independent placees at the placing price of HK$2.30 per Share (the "**Placing**"), and Fonty conditionally agreed to subscribe, and the Company agreed to allot and issue to Fonty for such number of subscription shares which is equivalent to the number of shares actually placed under the Placing at the subscription price of HK$2.30 per Share (the "**Subscription**"). Details of these transactions are set out in the Company's announcement dated 10 September 2010. The subscription price for the Subscription represents a discount of approximately 9.09% to the closing price of HK$2.53 per Share as stated in the Stock Exchange's daily quotations sheet on 9 September 2010. Approximately HK$222.2 million was raised from the Subscription for our Group's capital expenditure and as our general working capital.

The Group plan to fund the capital expenditures by proceeds from the share placement, our cash flows from operations and/or bank loans.

During 2010, the Group has not entered into any financial instrument to for hedging purposes nor any currency borrowings and other hedging instruments to hedge against foreign exchange rate risks.

We would implement a balanced financing plan to support the expanding capacity and operation of our solar wafer business.

Contingent liabilities

As at 31 December 2010, there was no material contingent liability.

Related Party Transactions

The Group did not have any related party transactions for the year ended 31 December 2010.

Acquisition of subsidiary

No subsidiary of the Company was acquired during the year ended 31 December 2010.

Use of Proceeds

The shares of the Company were listed on the main board of the Stock Exchange on 30 October 2009 with net proceeds from the Global Offering of approximately HK$526.3 million (after deducting underwriting commissions and related expenses).

The use of the net proceeds from the Global Offering as at 31 December 2010 was as follows:

Use	**% of net proceeds**	**Amount of net proceeds** *(in HK$ million)*	**Amount utilised** *(in HK$ million)*	**Amount remaining** *(in HK$ million)*
Expansion of production capacity	50%	263.2	263.2	—
Purchase or prepay for polysilicon feedstock	40%	210.5	210.5	—
Research and development	5%	26.3	26.3	—
Working capital	5%	26.3	26.3	—
	100%	526.3	526.3	—

The Company closed a top up placement to issue 100 million new shares in September 2010. The net proceeds from the Subscription is approximately HK$222.2 million.

On 9 September 2010, the Company entered into an agreement to issue a total of 100 million shares at a consideration of HK$2.30 per Share, representing:

(i) a discount of approximately 9.09% to the closing price of HK$2.53 per Share quoted on the Stock Exchange on 9 September 2010, being the last trading day of the Shares immediately prior to and including the date of the Placing and Subscription Agreement;

(ii) a discount of approximately 4.17% to the average closing price of the Shares of approximately HK$2.40 per Share as quoted on the Stock Exchange from 3 September 2010 to 9 September 2010, both dates inclusive, being the last five trading days immediately prior to and including 10 September 2010; and

(iii) a premium of approximately 1.32% to the average closing price of the Shares of approximately HK$2.27 per Share as quoted on the Stock Exchange from 27 August 2010 to 9 September 2010, both dates inclusive, being the last ten trading days immediately prior to and including 10 September 2010.

The use of the net proceeds from subscription as at 31 December 2010 was as follows:

Use	**% of net proceeds**	**Amount of net proceeds** *(in HK$ million)*	**Amount utilised** *(in HK$ million)*	**Amount remaining** *(in HK$ million)*
Expansion of production capacity	60%	133.3	—	133.3
Working capital	40%	88.9	88.9	—
	100%	222.2	88.9	133.3

Human resources

As at 31 December 2010, the Group had 934 (2009: 741) employees. The remuneration of the existing employee includes basic salaries, discretionary bonuses and social security contributions. Pay levels of the employees are commensurate with their responsibilities, performance and contribution.

CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CORPORATE GOVERNANCE CODE")

Good corporate governance is conducive to enhancing overall performance and accountability and is essential in modern corporate administration. The Board of Directors of the Company continuously observes the principles of good corporate governance in the interests of Shareholders and devotes considerable effort to identifying and formalizing best practice.

The Company was a private company for most of the year under review as it was only listed on the Main Board of the Stock Exchange on 30 October 2009. Upon the listing of the Company, the Company has complied with the vast majority of the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

In accordance with the requirement of the Listing Rules, the Company has established an audit committee with defined terms of reference and appointed a chief financial controller to oversee the financial reporting procedures and internal control of the Group. The Company has also established a nomination committee and a remuneration committee with defined terms of reference.

For the year ended 31 December 2010, all code provisions set out in the Code were fulfilled by the Company except for the deviation from code provision A.2.1, which stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

The Group does not at present separate the roles of the chairman and chief executive officer. Mr. John Zhang is the chairman and chief executive officer of the Group. He has extensive experience in solar wafer industry and is responsible for the overall corporate strategies, planning and business management of the Group. The Board considers that vesting the roles of chairman and chief executive officer in the same individual is beneficial to the business prospects and management of the Group. The balance of power and authorities is ensured by the operation of the Board and the senior management, which comprise experienced and high caliber individuals. The Board currently comprises three executive Directors, one non-executive Director and three independent non-executive Directors and has a strong independence element in its composition.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has also adopted the Model Code For Securities Transactions By Directors Of Listed Issuers set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code from the Listing Date to 31 December 2010.

AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Directors passed on 2 October 2009 in compliance with Rule 3.21 of the Listing Rules. The primary duties of the audit committee are to make recommendation to the Board on the appointment and removal of external auditors, review the financial statements and material advice in respect of financial reporting, and oversee the internal control procedures of the Company. Their written terms of reference are in line with the Corporate Governance Code provisions. The audit committee consists of three members, namely, Mr. Leung Ming Shu, Mr. Daniel DeWitt Martin and Mr. Kang Sun, all of whom are independent non-executive Directors. Mr. Leung Ming Shu is the chairman of the audit committee.

The audit committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2010, including the accounting principles and practice adopted by the Group.

The primary duties of the Audit Committee are mainly to review the material investment, capital operation an material financial system of our Company; to review the accounting policy, financial position and financial reporting procedures of our Company; to communicate with external audit firms; to assess the performance of internal financial and audit personnel; and to assess the internal controls of the Company.

The Audit Committee held five meetings for the year ended 31 December 2010, with full attendance.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 2 October 2009 with written terms of reference. The primary duties of the remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Company, review performance based remuneration, and ensure none of the Directors determine their own remuneration. Their written terms of reference are in line with the Corporate Governance Code provisions. The remuneration committee consists of three members, namely, Mr. John Zhang, Mr. Kang Sun and Mr. Leung Ming Shu. Mr. John Zhang is the chairman of the remuneration committee.

The Remuneration Committee held three meetings for the year ended 31 December 2010, with full attendance.

NOMINATION COMMITTEE

The Company established a nomination committee on 2 October 2009 with written terms of reference. The primary duties of the nomination committee are to review the structure, size and composition of the Board on a regular basis and to recommend to the Board the suitable candidates for directors after consideration of the nominees' independence and quality in order to ensure the fairness and transparency of all nominations. In identifying suitable director candidates and making such recommendations to the Board, the nomination committee would also take into account various aspects of a candidate, including but not limited to his/her education background, professional experience, experience with the relevant industry and past directorships. Their written terms of reference are in line with the Corporate Governance Code provisions. The nomination committee consists of three members, namely, Mr. John Zhang, Mr. Daniel DeWitt Martin and Mr. Kang Sun. Mr. John Zhang is the chairman of the nomination committee.

On 26 Match 2010, Mr. He Xin resigned as a Director and Mr. Phen, Chun Shing Vincent was appointed as a Director. Such appointment has been considered by the nomination committee.

The Nomination Committee held one meeting for the year ended 31 December 2010, with full attendance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The shares of the Company have been listed on the Stock Exchange since 30 October 2009. During the year ended 31 December 2010, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed public float of not less than 25% of the Company's issued Shares as required under the Listing Rules for the period from the Listing Date to 31 December 2010.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (http://www.comtecsolar.com). The annual report for the year ended 31 December 2010 containing all the information required by Appendix 16 to the Listing Rules will be dispatched to shareholders of the Company and available on the same websites in due course.

DIVIDENDS

The Board recommends that since the Company is expanding business rapidly that requires cash for capital expenditures and working capital, no dividend will be declared for the year ended 31 December 2010. The Company may consider the dividend policy in the future according to the actual performance of the Company such as financial results, the general industry and the economic environment.

Scope of work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2010 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

APPRECIATION

I would like to take this opportunity to express my thanks and gratitude to the Group's management and staff who dedicated their endless efforts and devoted services, and to our Shareholders, suppliers, customers and bankers for their continuous support.

DEFINITIONS

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

"Board" or "Board of Directors"	the board of directors of the Company
"Company"	Comtec Solar Systems Group Limited, a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange
"Corporate Governance Code"	Code on corporate governance practices contained in Appendix 14 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Global Offering" or "IPO"	the listing of the Shares on the Stock Exchange on 30 October 2009
"HK$" and "HK cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Listing Date"	the date, 30 October 2009, on which dealings in the Shares first commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	Model code for securities transactions by directors of listed issuers contained in Appendix 10 to the Listing Rules
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.001 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

* *denotes English translation of the name of a Chinese company or entity or vice versa and is provided for identification purposes only.*

By order of the board of
Comtec Solar Systems Group Limited
John Zhang
Chairman

Shanghai, the People's Republic of China, 17 March 2011

As at the date of this announcement, the executive Directors are Mr. John ZHANG, Mr. CHAU Kwok Keung and Mr. SHI Cheng Qi; the non-executive Director is Mr. Chun Shing Vincent PHEN; and the independent non-executive Directors are Mr. Daniel DeWitt MARTIN, Mr. Kang SUN and Mr. LEUNG Ming Shu.