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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)

BUSINESS UPDATE

**STRATEGIC COOPERATION FRAMEWORK AGREEMENT
IN RELATION TO PROPOSED COOPERATION
IN THE SOLAR PROJECTS**

This announcement is made by Comtec Solar Systems Group Limited (“**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The board (“**Board**”) of the Company is pleased to announce that, on 12 January 2017, Comtec Solar Renewable Energy (Jiangsu) Co., Ltd.* (卡姆丹克清潔能源(江蘇)有限公司) (“**Comtec Renewable Energy**”), a wholly owned subsidiary of the Company, entered into a strategic cooperation framework agreement with the Administration Committee of Wuxi Huishan Economic Development Zone* (江蘇省無錫惠山經濟開發區管委會) (“**Huishan Administration Committee**”) in relation to the proposed cooperation in the distributed photovoltaic power generation projects and the intelligent energy charging facilities projects (“**Solar Projects**”) (“**Framework Agreement**”).

THE FRAMEWORK AGREEMENT

Date

12 January 2017

Parties to the Framework Agreement

1. Comtec Renewable Energy; and
2. Huishan Administration Committee

Material terms of the Framework Agreement

Pursuant to the Framework Agreement, Comtec Renewable Energy and Huishan Administration Committee intend to, among others, cooperate in the Solar Projects in the following manner:

- Comtec Renewable Energy plans to invest in the construction of the Solar Projects in Huishan Economic Development Zone during the period from 2017 to 2020. Comtec Renewable Energy will establish a project company to implement the Solar Projects in Huishan Economic Development Zone.
- Huishan Administration Committee shall seek roofing resources of high quality and actively introduce and recommend Comtec Renewable Energy to the owners of roofing resources. Subject to the same terms and conditions, Huishan Administration Committee shall prioritize and facilitate the cooperation between Comtec Renewable Energy and the local owners of roofing resources.
- The parties agree that Comtec Renewable Energy shall have the franchise rights for investing, constructing and operating intelligent energy charging facilities projects in Huishan Economic Development Zone.

Pursuant to the Framework Agreement, the parties agree that after the execution of the Framework Agreement, Huishan Administration Committee and Comtec Renewable Energy shall exclusively cooperate with each other in any projects or matters in connection with the Solar Projects in Huishan Economic Development Zone.

REASONS FOR AND BENEFITS OF THE FRAMEWORK AGREEMENT

Since September 2016, the Group commenced to expand into the business of downstream solar project development, which the Directors believe would fuel the growth of the Group. The Framework Agreement marks the Group's efforts to explore further opportunities to expand into downstream solar business with a view to creating synergy through integration of the downstream solar business with the Group's existing upstream solar business.

Accordingly, the Directors (including the independent non-executive Directors) are of the view that the Framework Agreement is in the best interest of the Company and the shareholders of the Company as a whole.

INFORMATION ON GROUP

Comtec Renewable Energy is a wholly owned subsidiary of the Company. The Company and its subsidiaries are principally engaged in the research, production and sales of efficient mono-crystalline products and the investment, development, construction and operation of solar photovoltaic power stations.

INFORMATION ON HUISHAN ADMINISTRATION COMMITTEE

Huishan Administration Committee is a governmental authority in charge of investments and projects in Huishan Economic Development Zone. Huishan Economic Development Zone is located in Huishan District, Wuxi City, Jiangsu Province.

Shareholders and investors of the Company should note that the transactions contemplated under the Framework Agreement is subject to the entering into of the definitive agreement(s) by the parties and the relevant terms and conditions have not yet been finalized and therefore the transactions may or may not materialize. In the event any definitive agreement is entered into, further announcement(s) will be made if and when required or as appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Shareholders and investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
Comtec Solar Systems Group Limited
John Yi ZHANG
Chairman

Shanghai, the People's Republic of China, 12 January 2017

As at the date of this announcement, the executive Directors are Mr. John Yi Zhang, Mr. Chau Kwok Keung and Mr. Zhang Zhen, the non-executive Directors are Mr. Donald Huang and Mr. Yixin Wang, and the independent non-executive Directors are Mr. Leung Ming Shu, Mr. Kang Sun and Mr. Daniel DeWitt Martin.