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)

FURTHER ANNOUNCEMENT OF AUDITED FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

AUDITED FINAL RESULTS

Reference is made to the announcement of Comtec Solar Systems Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") dated 31 March 2021, in relation to the unaudited final results for the year ended 31 December 2020 (the "**Announcement**"). Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

The Board of Directors (the "**Board**") of the Company is pleased to announce that the Company's auditor, Prism CPA Limited ("**Prism**"), has completed its audit of the consolidated financial statements of the Group for the year ended 31 December 2020 in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). Save for the reconciliation as disclosed in this announcement, the final results contained in the Announcement remain unchanged.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2020 as set out in the Announcement have been audited by Prism to the amounts set out in the Group's Annual Report for the year ended 31 December 2020 as approved by the Board on 30 April 2021 and the reconciliations are set out below. The work performed by Prism in this respect did not constitute an assurance engagement in accordance with HKSAs, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Prism on the Announcement.

RECONCILIATION OF THE UNAUDITED AND AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

Set forth below are the reconciliation of the 2020 unaudited annual results of the Group and the audited financial information contained in the Annual Report. The items give rise to such differences are also set out in the respective notes below.

	Note	**Disclosure in the Annual Report** *RMB'000* *(Audited)*	**Disclosure in the Announcement** *RMB'000* *(Unaudited)*	**Difference** *RMB'000*
Consolidated Statement of Profit or Loss for the year ended 31 December 2020				
Revenue		55,015	55,015	—
Cost of sales and services		(51,152)	(52,670)	1,518
Gross profit		3,863	2,345	1,518
Other income		8,230	5,354	2,876
Other net losses	*1*	(21,579)	(10,943)	(10,636)
Distribution and selling expenses		(1,014)	(1,014)	—
Administrative expenses		(35,674)	(36,727)	1,053
Research and development expenses		(1,112)	(1,112)	—
Share of profit of a joint venture		134	134	—
Share of loss of an associate		—	—	—
Finance costs		(23,770)	(23,450)	(320)
Loss before taxation		(70,922)	(65,413)	(5,509)
Income tax	*2*	4,087	62	4,025
Loss for the year		(66,835)	(65,351)	(1,484)
Loss for the year attributable to				
Owners of the Company		(65,704)	(63,896)	(1,808)
Non-controlling interests		(1,131)	(1,455)	324
		(66,835)	(65,351)	(1,484)
		RMB cents	*RMB cents*	*RMB cents*
Loss per share				
— Basic		(9.18)	(11.29)	2.11
— Diluted		(9.18)	(11.29)	2.11

	Note	Disclosure in the Annual Report *RMB'000* *(Audited)*	Disclosure in the Announcement *RMB'000* *(Unaudited)*	Difference *RMB'000*
Consolidated Statement of Financial Position as at 31 December 2020				
Non-current assets				
Investment properties		82,914	86,027	(3,113)
Property, plant and equipment	*3*	147,804	134,826	12,978
Intangible assets		2,135	2,135	—
Goodwill		6,573	3,807	2,766
Interest in an associate		159	159	—
Interest in a joint venture		—	—	—
Deposits paid for acquisition of property, plant and equipment		691	415	276
		240,276	227,369	12,907
Current assets				
Inventories		17,215	14,633	2,582
Trade and other receivables	*4*	70,771	80,678	(9,907)
Advance to suppliers		29,737	29,737	—
Equity instruments at fair value through profit or loss		—	—	—
Pledged bank deposits		21,214	21,214	—
Bank balances and cash		5,126	5,126	—
		144,063	151,388	(7,325)
Current liabilities				
Trade and other payables	*5*	137,444	127,557	9,887
Contract liabilities		34,720	35,141	(421)
Interest-bearing borrowings	*5*	164,481	170,038	(5,557)
Tax liabilities		5,808	5,808	—
Deferred income		840	537	303
Consideration payable		5,130	5,130	—
Convertible bonds	*6*	84,587	—	84,587
Lease liabilities		1,591	3,445	(1,854)
		434,601	347,656	86,945
Net current liabilities		(290,538)	(196,268)	(94,270)

	Note	Disclosure in the Annual Report *RMB'000* *(Audited)*	Disclosure in the Announcement *RMB'000* *(Unaudited)*	Difference *RMB'000*
Total assets less current liabilities		(50,262)	31,101	(81,363)
Non-current liabilities				
Interest-bearing borrowings		10,300	10,300	—
Deferred tax liabilities	*2*	11,541	17,456	(5,915)
Deferred income		7,329	7,632	(303)
Convertible bonds	*6*	—	72,624	(72,624)
Lease liabilities		9,713	11,813	(2,100)
		38,883	119,825	(80,942)
Net liabilities		(89,145)	(88,724)	(421)
Capital and reserves				
Share capital		2,556	2,556	—
Reserves		(89,580)	(88,835)	(745)
Equity attributable to owners of the Company		(87,024)	(86,279)	(745)
Non-controlling interests		(2,121)	(2,445)	324
Total deficits		(89,145)	(88,724)	(421)

Notes:

1. The other net losses are adjusted upward as a result of the major changes as mentioned in Notes (3), (4) and (6);

2. Additional income tax for the year ended 31 December 2020 amounted to approximately RMB4 million is credited;

3. Having considered the facts and circumstances, impairment losses for property, plant and equipment were adjusted downward by approximately RMB13 million as at 31 December 2020;

4. As a result of recognising increased impairment losses under expected credit loss model, the impairment losses of trade and other receivables were adjusted upward by approximately RMB10 million during the year ended 31 December 2020;

5. Amounting to approximately RMB5 million in interest-bearing borrowings is reclassified as trade and other payables;

6. Additional fair value loss on the derivative component of the convertible bonds as at 31 December 2020 amounted to RMB10 million is recognised. Moreover, based on the terms for the subscription agreement of the convertible bonds, convertible bonds of approximately RMB85 million are reclassified from non-current liabilities to current liabilities since the convertible bonds will become mature within one year as at 31 December 2020.

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

Shanghai, the People's Republic of China, 30 April 2021

As at the date of this announcement, the executive Director is Mr. John Yi Zhang, the non-executive Directors are Mr. Dai Ji and Mr. Qiao Fenglin, and the independent non-executive Directors are Mr. Jiang Qiang and Mr. Ma Teng.