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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)

**TERMINATION OF FRAMEWORK AGREEMENT
AND
DISCLOSEABLE TRANSACTION
SHARE TRANSFER AGREEMENT**

TERMINATION OF FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 19 November 2012. On 26 January 2015, Comtec Solar (HK), Comtec Solar, Comtec New Energy and Shanghai Wan Qian Jia Mu, based on arm's length negotiation, entered into the Termination Agreement to terminate the disposal of Comtec New Energy under the Framework Agreement.

SHARE TRANSFER AGREEMENT

On 26 January 2015, Comtec Solar Cayman, Comtec New Energy (HK) and New Energy Management, an Independent Third Party, entered into the Share Transfer Agreement pursuant to which Comtec Solar Cayman agreed to transfer all shares in Comtec New Energy (HK) to New Energy Management for a consideration of RMB28,500,000. Upon the completion of the Transfer, Comtec New Energy (HK), together with Comtec New Energy, which will be acquired by Comtec New Energy (HK) prior to the completion of the Share Transfer Agreement, will cease to be subsidiaries of the Group.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio of the Share Transfer Agreement is more than 5% but is less than 25%, the transaction under the Share Transfer Agreement constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

TERMINATION OF FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 19 November 2012.

In view of that certain closing condition have not been satisfied as at the date of this announcement, on 26 January 2015, Comtec Solar (HK), Comtec Solar, Comtec New Energy and Shanghai Wan Qian Jia Mu, based on arm's length negotiation, entered into the Termination Agreement to terminate the disposal of Comtec New Energy under the Framework Agreement. Comtec Solar and Shanghai Wan Qian Jia Mu did not enter into any equity transfer agreement for the third stage of the transfer under the Framework Agreement.

Pursuant to the Termination Agreement, Comtec Solar (HK), Comtec Solar, Comtec New Energy and Shanghai Wan Qian Jia Mu agreed to terminate the Framework Agreement with immediate effect. Except that Comtec Solar shall return RMB1 million, being the first instalment under the Framework Agreement, to Shanghai Wan Qian Jia Mu, each of them shall be irrevocably released and discharged from all accrued rights and obligations owed by it and claims accruing against it pursuant to the Framework Agreement.

The Directors are of the view that the termination of the Framework Agreement will not have material adverse impact on the operation and financial position of the Group.

SHARE TRANSFER AGREEMENT

Date: 26 January 2015.

Parties:

- (1) Comtec Solar Cayman
- (2) Comtec New Energy (HK); and
- (3) New Energy Management

Subject matter: Pursuant to the Share Transfer Agreement, Comtec Solar Cayman agreed to transfer all shares in Comtec New Energy (HK) to New Energy Management for a consideration of RMB28,500,000.

Basis of determination for the consideration: The consideration of RMB28,500,000 was determined by arm's length negotiation and with reference to, among other things, the expected net assets value of Comtec New Energy (HK) after its acquisition of Comtec New Energy.

Payment term: Pursuant to the Share Transfer Agreement, the Transferee shall pay the consideration to the Transferor in instalments as follows:

- (a) first instalment: RMB14,500,000 upon completion of the Transfer; and

- (b) second instalment: RMB14,000,000 within three business days after (i) the Transfer has been completed pursuant to the Share Transfer Agreement and (ii) Comtec New Energy having obtained the construction permit for its land use right.

If, after completion of the Transfer, the Transferee transfers the land use right held by Comtec New Energy to other third parties, the Transferee agrees to pay the second instalment to the Transferor within three business days after the Transferee having received the consideration of such transfer of the land use right.

Conditions Precedent:

The completion of the Transfer is mainly subject to the following conditions:

- (i) the results of due diligence pertaining to Comtec New Energy and Comtec New Energy (HK) shall be satisfactory to the Transferee;
- (ii) Comtec New Energy (HK) having acquired all shares in Comtec New Energy through internal restructuring;
- (iii) the net assets value of Comtec New Energy (HK) after it having acquired all shares in Comtec New Energy being adjusted to RMB28,500,000 through capital restructuring;
- (iv) the representations and warranties of the Transferor set out in the Share Transfer Agreement continuing to be true, accurate and correct in all material respects as of the date of completion; and
- (v) Comtec New Energy (HK) and Comtec New Energy having obtained all necessary consents and approvals in relation to their business.

Completion:

The completion of the Transfer is scheduled to take place on the first business day immediately after the conditions precedent being fulfilled, or such other date as the parties may agree. Upon completion, the Transferor shall transfer all shares in Comtec New Energy (HK) to the Transferee and the Transferee shall wire the first instalment to the Transferor, as disclosed above.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHARE TRANSFER AGREEMENT

The proceeds from the Transfer could enhance the Group's financial position by providing additional capital resources for the Group to be prepared for further expansion in the future.

Accordingly, the Board considers that it is in the interests of the Group to enter into the Share Transfer Agreement. The Directors, including the independent non-executive Directors, consider that the Share Transfer Agreement has been entered into on normal commercial terms and the terms of the Share Transfer Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

EFFECT OF THE SHARE TRANSFER AGREEMENT

Following the completion of the Share Transfer Agreement, Comtec New Energy (HK) and Comtec New Energy will cease to be subsidiaries of the Company and their financial results will no longer be consolidated into the accounts of the Group.

It is expected that no material gains or losses will be recorded to the Group arising from the Share Transfer Agreement, because (1) the consideration equals to the expected net assets value of Comtec New Energy (HK) after it has acquired all the shares in Comtec New Energy through the Group's internal restructuring, and (2) the principal asset owned by Comtec New Energy is the land use right for a piece of land situated at Nanhui, Pudong District, Shanghai. Comtec New Energy is an investment holding company.

LISTING RULES IMPLICATIONS

As an applicable percentage ratio of the Share Transfer Agreement is more than 5% but is less than 25%, the transaction under the Share Transfer Agreement constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

INFORMATION ABOUT THE TRANSFEREE

New Energy Management is principally engaged in property development and logistics business.

To the best of the Directors' knowledge, information and having made all reasonable enquiries, the Transferee and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company.

INFORMATION OF THE GROUP

The Group is an investment holding company. It is wholly owned by the Company.

INFORMATION OF COMTEC SOLAR CAYMAN

Comtec Solar Cayman is principally engaged in the manufacturing of solar ingots and wafers. It is wholly owned by the Company.

INFORMATION ABOUT THE TARGET COMPANIES

Comtec New Energy (HK) is an investment holding company. It is wholly owned by Comtec Solar Cayman as at the date of this announcement.

Comtec New Energy is principally engaged in the manufacturing and sales of solar wafers and related products. It will be acquired by Comtec New Energy (HK) immediately prior to the closing of the Share Transfer Agreement.

For the two years ended 31 December 2013 and 2014, the net losses attributable to Comtec New Energy were as follows:

For the year ended 31 December 2013

Net loss (before tax): RMB14,344,468 (audited)

Net loss (after tax): RMB14,344,468 (audited)

For the year ended 31 December 2014

Net loss (before tax): RMB708,423 (unaudited)

Net loss (after tax): RMB708,423 (unaudited)

For the two years ended 31 December 2013 and 2014, the net profit/loss attributable to Comtec New Energy (HK), were as follows:

For the year ended 31 December 2013

Net profit/loss (before tax): nil

Net profit/loss (after tax): nil

For the year ended 31 December 2014

Net profit/loss (before tax): nil

Net profit/loss (after tax): nil

DEFINITIONS

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

“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Comtec Solar Systems Group Limited (卡姆丹克太陽能系統集團有限公司), a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange
“Comtec New Energy”	Comtec New Energy Technology (Shanghai) Co., Ltd.* (卡姆丹克新能源科技(上海)有限公司), a wholly foreign-owned enterprise incorporated under the laws of the PRC on 7 January 2010 and an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“Comtec New Energy (HK)”	Comtec New Energy China Holdings Limited, a limited liability company incorporated in Hong Kong on 25 November 2013 and a wholly-owned subsidiary of Comtec Solar Cayman as at the date of this announcement
“Comtec Solar”	Shanghai Comtec Solar Technology Co., Ltd.* (上海卡姆丹克太陽能科技有限公司), a wholly foreign-owned enterprise incorporated under the laws of the PRC on 5 July 2005 and an indirect wholly-owned subsidiary of the Company
“Comtec Solar (HK)”	Comtec Solar (Hong Kong) Limited (formerly known as Star View (Hong Kong) Limited), a limited liability company incorporated in Hong Kong on 12 October 2007 and an indirect wholly-owned subsidiary of the Company
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“Framework Agreement”	a framework agreement dated 19 November 2012 entered into among, Comtec Solar (HK), Comtec Solar, Comtec New Energy and Shanghai Wan Qian Jia Mu, pursuant to which Comtec Solar (HK) agreed to transfer all equity interest in Comtec New Energy to Shanghai Wan Qian Jia Mu for a consideration of RMB28,500,000
“Group”	the Company and its subsidiaries
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	Person(s) or company(ies) which is(are) not a connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, shall not include Hong Kong and Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company from time to time
“Share Transfer Agreement”	a share transfer agreement dated 26 January 2015 entered into among, Comtec Solar Cayman, Comtec New Energy (HK) and New Energy Management, pursuant to which Comtec Solar Cayman agreed to transfer all shares in Comtec New Energy (HK) to New Energy Management for a consideration of RMB28,500,000
“Shanghai Wan Qian Jia Mu”	Shanghai Wan qian Jia Mu Green Landscapes Constructions Co., Ltd.* (上海萬千佳木綠地建設有限公司), a company incorporated in the PRC with limited liabilities and an Independent Third Party
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Target Companies”	Comtec New Energy (HK) and its wholly-owned subsidiary, Comtec New Energy
“Termination Agreement”	a termination agreement dated 26 January 2015 entered into among, Comtec Solar (HK), Comtec Solar, Comtec New Energy and Shanghai Wan Qian Jia Mu, pursuant to which the Framework Agreement is terminated with immediate effect
“Transfer”	the equity transfer transaction contemplated under the Share Transfer Agreement
“Transferor” or “Comtec Solar Cayman”	Comtec Solar (Cayman) Limited (formerly known as Most Talent Limited), an exempted company incorporated with limited liability under the laws of the Cayman Islands on 23 April 2007 and an indirect wholly-owned subsidiary of the Company

“Transferee” or “New
Energy Management”

New Energy Management Limited, a limited liability
company incorporated under the laws of British Virgin
Islands on 9 December 2013

“%”

per cent

* *For identification purpose only*

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

Shanghai, the People’s Republic of China, 26 January 2015

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. Donald Huang, and the independent non-executive Directors are Mr. Leung Ming Shu, Mr. Kang Sun and Mr. Daniel DeWitt Martin.