

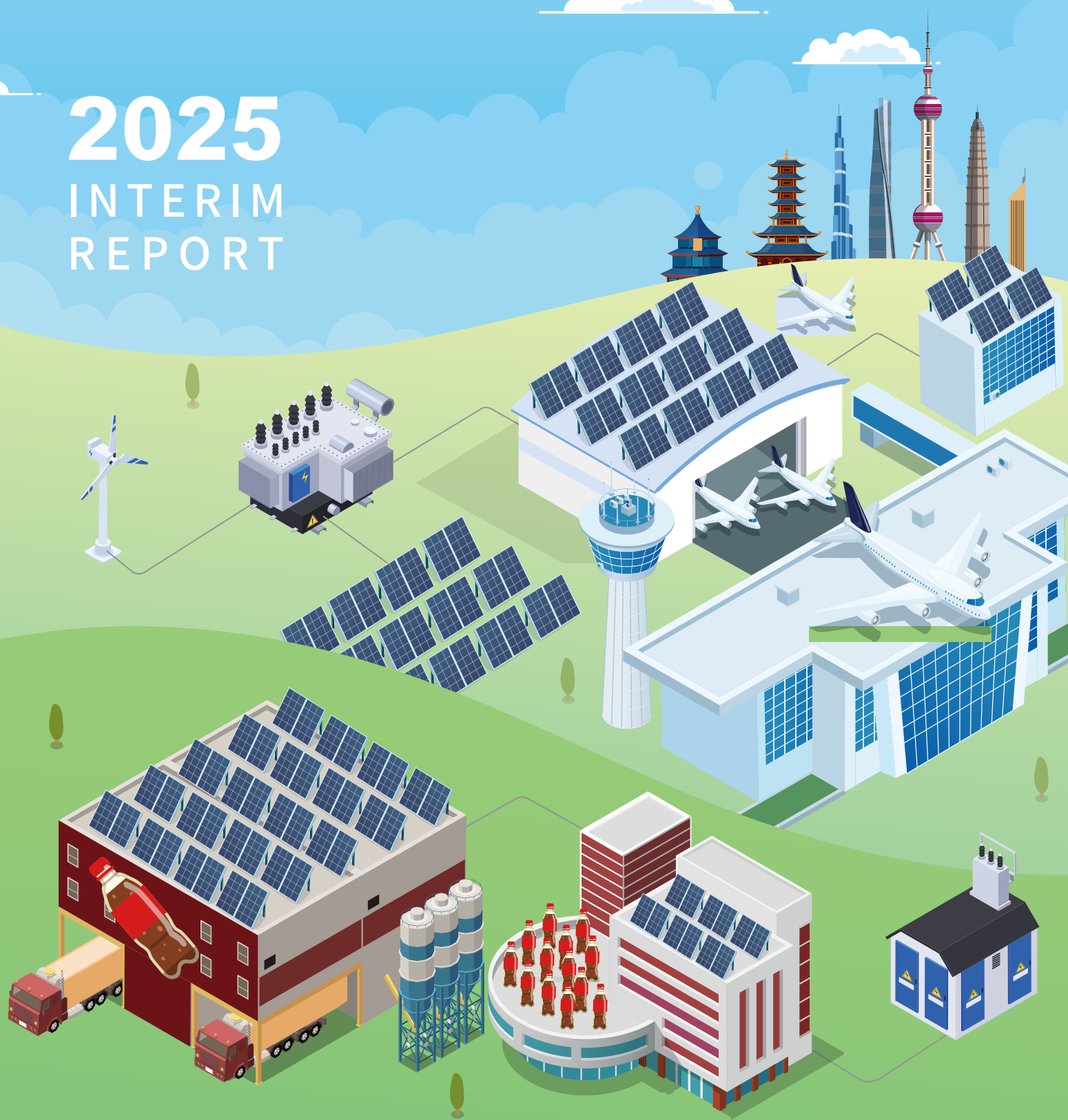


卡姆丹克太陽能系統集團有限公司 Comtec Solar Systems Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 712

2025 INTERIM REPORT



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CORPORATE INFORMATION

DIRECTORS

Executive Director

Mr. John Yi Zhang (*Chairman*)

Non-executive Directors

Mr. Dai Ji

Mr. Qiao Fenglin

Independent non-executive Directors

Mr. Jiang Qiang

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

COMPANY SECRETARY

Mr. Yuen Sing Wai Lester

AUTHORISED REPRESENTATIVES

Mr. John Yi Zhang

Mr. Qiao Fenglin

AUDIT COMMITTEE

Mr. Jiang Qiang (*Committee Chairman*)

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

NOMINATION COMMITTEE

Mr. John Yi Zhang (*Committee Chairman*)

Mr. Jiang Qiang

Mr. Qiao Fenglin

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

REMUNERATION COMMITTEE

Mr. Jiang Qiang (*Committee Chairman*)

Mr. John Yi Zhang

Mr. Qiao Fenglin

Dr. Yan Ka Shing

Ms. Qiu Ping, Maggie

CORPORATE GOVERNANCE COMMITTEE

Mr. John Yi Zhang (*Committee Chairman*)

Mr. Jiang Qiang

Ms. Qiu Ping, Maggie

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEADQUARTERS

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Tianning District

Changzhou City

Jiangsu Province

PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

RM 2301-02, 23/F.

Shanghai Industrial Investment Building

48-62 Hennessy Road

Wan Chai

Hong Kong SAR.

COMPANY'S WEBSITE

www.comtecsolar.com

CORPORATE INFORMATION

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East Wanchai
Hong Kong

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Period, the Group is principally engaging in the solar and power storage business and the provision of logistics services.

Solar and Power Storage Business

In the solar and power storage business, the Group continues to operate its 11 existing power generation projects from its roof-top solar systems by the Group's wholly-owned subsidiaries in Shanghai, Wuxi, Fuzhou, Guangdong, Zhuhai, Tianjin, Haian, Changshu for a stable revenue source during the Period. In addition, the Group continues to provide solar engineering, procurement and construction ("EPC") services for rooftop distributed generation projects to customers around the PRC. During the Period, while the management was pursuing more projects and opportunities, the Group continued its ongoing EPC projects to its investment of the FLBH Energy System (as defined below) in Shanxi Province. In the power storage (sales and production) business, the subsidiary has actively marketed its technology and products and the Directors are pursuing more high value purchase orders to our lithium battery power storage systems and products. We continued to invest, through our subsidiary, by both equity and debt, into a flywheel-lithium iron phosphate battery hybrid energy storage system (the "FLBH Energy System") in Yongji City, Shanxi, PRC. The FLBH Energy System has been completed, connected to the Grid and commenced its operations on 1 March 2025.

Logistic Services

In the logistics services segment, our subsidiary continued to pursue new contracts. The logistics services segment was adversely affected by the termination of contracts by 2 customers during the first half of 2025 and resulting to a decrease in revenue. As disclosed in the Company's announcement dated 28 December 2023, the Group entered into an agreement with the vendor of Zhilian Cloud in relation to the acquisition of Zhilian Cloud ("Zhilian Cloud Acquisition"), a company which operates a logistics cloud technology platform that provides transportation management system, IoT product, logistics financial products, and different one-stop solutions catering to the varying needs of customers in the PRC, with a view to broaden the Group's revenue sources and enhance the profit margins of its existing logistics operations, thereby creating a foundation for the Group's future growth in intelligent logistics sector. However, due to internal restructuring at Zhilian Cloud and its affiliates, the Zhilian Cloud Acquisition is currently pending. The Directors are currently in active negotiation with the vendor and Zhilian Cloud to either proceed with the acquisition or explore other cooperation opportunities in the intelligent logistics sector.

The Group will continue to utilise its resources and network as well as the extensive investment experience of our board of directors and senior management to maintain an ongoing business development in the energy supply and storage business, sustainable commerce and economy, and intelligent logistic business.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue from our businesses mainly included (1) power generation income, (2) EPC consulting services income for design, installation and construction of photovoltaic power stations and renewable energy companies, (3) income from sales of lithium battery power storage products, and (4) income from provision of logistics services. Revenue from solar and power storage increased by approximately RMB86.4 million, or 695.5%, from approximately RMB12.4 million for the corresponding period in 2024 to approximately RMB98.8 million for the Period, primarily due to the positive results in the Group's subsidiary's success in landing new EPC project for large scale power storage company. Stemming from the success of our investments in FLBH Energy System investment in Yongji City, Shanxi, PRC. The Group has won new EPC services contract for a similar flywheel-lithium iron phosphate battery energy storage system in Shilou County, Lüliang City, Shanxi, PRC. Revenue from logistics services business decreased by 33.4% to approximately RMB49.5 million for the Period as compared to approximately RMB74.3 million in the corresponding period in 2024, primarily due to the termination of contracts by 2 customers during the first half of 2025.

Cost of sales and services

Cost of sales and services increased by 70.9% from approximately RMB83.1 million for the corresponding period in 2024 to approximately RMB142.0 million for the Period, generally in line with the increase in revenue.

Gross profit

During the Period, the Group recorded gross profit of approximately RMB6.3 million, representing a increase of approximately 74.4% from the gross profit of approximately RMB3.6 million for the corresponding period in 2024, as a result of the change in relative proportion of different sources of revenue.

Other income

During the Period, other income was approximately RMB4.1 million, representing an increase of 18.5%, from approximately RMB3.5 million for the corresponding period in 2024, which was largely similar to that in the last corresponding period.

Other gains and losses

Other losses were approximately RMB1.9 million during the Period, representing a decrease by approximately 74.2% from other losses of approximately RMB7.4 million during the corresponding period in 2024. The decrease was primarily due to (i) the slowdown in the drop of fair value of the investment properties at Haian during the Period.

Impairment loss on financial assets, net of reversal

The impairment loss on financial assets increase by RMB6.0 million, or 299.6%, from approximately a reversal of impairment of RMB1.9 million during the corresponding period in 2024 to impairment of RMB4.0 million during the Period. The increase in impairment was primary due to the lengthened accounts receivables aging for the logistics business, contributing to an additional impairment expense of RMB4.6 million during the Period, partially offset by the improving aging of the Solar and Power Storage Business.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and distribution expenses

Selling and distribution expenses decreased by approximately RMB645,000, or 57.7%, from approximately RMB1.1 million for the corresponding period in 2024 to approximately RMB473,000 for the Period, primarily due to the stringent cost control measures implemented by the Company during the Period.

Administrative expenses

Administrative expenses decreased by approximately RMB2.7 million, or 17.3%, from approximately RMB15.8 million for the corresponding period in 2024 to approximately RMB13.1 million for the Period. The decrease was mainly attributable to the stringent cost control measures implemented by the Group during the Period.

Research and development expenses

Research and development expenses decreased by approximately RMB0.2 million, or 48.7%, from approximately RMB0.4 million for the corresponding period in 2024 to approximately RMB0.2 million for the Period, due to the stringent cost control measures implemented by the Company.

Finance costs

Interest expenses increased by approximately RMB1.4 million from approximately RMB12.5 million for the corresponding period in 2024 to approximately RMB13.9 million for the Period due to the full period effect of an increase in interest rate in some new loan raised in refinancing certain borrowings in first half of 2024.

Loss/profit before taxation

Loss before taxation was approximately RMB23.1 million for the Period, decreased by approximately RMB5.1 million from loss of approximately RMB28.2 million for the corresponding period in 2024, due to the aforementioned factors.

Taxation

The Group recorded tax expenses of approximately RMB589,000 during the Period, compared to tax credit of approximately RMB2.5 million for the corresponding period in 2024, primarily due to the improving results and scale of operations.

Profit for the Period

Other comprehensive expenses

During the year ended 31 December 2023, the Company, through its indirectly 51% owned subsidiary, Comtec Energy Storage Technology (Liaoning) Limited (卡姆丹克儲能科技(遼寧)有限公司*) ("Comtec Liaoning"), invested into 15% equity interests in Shenyang Guoyun Weikong Energy Storage Technology Limited (瀋陽國雲微控儲能科技有限公司*) ("Shenyang Guoyun"). Shenyang Guoyun, through Yongji Guoyun, being its wholly-owned subsidiary, holds the development project of a FLBH Energy System in the Economic and Technological Development Zone, Yongji City, Shanxi Province, the PRC. The valuation of such investment is recorded as financial asset with fair value measured through other comprehensive income/(expenses). As at 30 June 2025, the valuation amounted to RMB5.3 million (31 December 2024: RMB3.4 million) on the consolidated balance sheet of the Group. The increase was primarily due to the commencement of the ELBH Energy System in Yongji City, Shanxi, PRC.

* for identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS

As a result, combining partial offsetting effect from decrease on other long-term investments of approximately RMB0.1 million the Group recorded other comprehensive income attributable to the owners of the Company of approximately RMB1.8 million during the Period (for the 6-month ended 30 June 2024: other comprehensive expenses of RMB559,000).

Loss and total comprehensive expenses attributable to the owners of the Company

Loss and total comprehensive expenses attributable to the owners of the Company in the first half of 2025 amounted to RMB22.8 million, representing a decrease of expenses by 9.7% year-on-year.

Interim dividend

The Board resolved not to declare an interim dividend for the Period (six months ended 30 June 2024: nil).

Liquidity and financial resources

As at 30 June 2025, the Group's current ratio (current assets divided by current liabilities) was 0.44 (31 December 2024: 0.32). The gearing ratio (total liabilities divided by total equity) was 2.2 (31 December 2024: 1.91). The Group had a working capital deficit (total consolidated current liabilities exceeded total consolidated current assets) of approximately RMB195.5 million as of 30 June 2025 (31 December 2024: approximately RMB175.9 million). Also, the Group recorded net liabilities of approximately RMB182.3 million as of 30 June 2025 (31 December 2024: approximately RMB160.4 million).

Contingent liabilities

As at 30 June 2025, there was no material contingent liability (31 December 2024: nil).

Charges on group assets

As at 30 June 2025, the Group had RMB5,000 pledged bank deposit for raising borrowing restricted cash (31 December 2024: RMB5,000), and pledged certain trade receivables and plant and machines to secure financing facilities granted to the Group. Save as disclosed above, as at 30 June 2025, no other assets of the Group were charged.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Period, save as disclosed in other section of this report, there was no material acquisition or disposal of subsidiaries, associates and joint ventures by the Group.

SIGNIFICANT INVESTMENT HELD

During the Period, the Company, through its indirectly 51% owned subsidiary, Comtec Liaoning (卡姆丹克儲能科技(遼寧)有限公司*), continued to invest in 15% equity interests in Shenyang Guoyun (瀋陽國雲微控儲能科技有限公司*). Shenyang Guoyun, through Yongji Guoyun, being its wholly-owned subsidiary, holds the development project of a FLBH Energy System in the Economic and Technological Development Zone, Yongji City, Shanxi Province, the PRC. The valuation of such investment is recorded as financial asset with fair value measured through other comprehensive income. As at 30 June 2025, the valuation amounted to RMB5.3 million (31 December 2024: RMB3.4 million) on the consolidated balance sheet of the Group.

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MANAGEMENT DISCUSSION AND ANALYSIS

On 28 November 2023, Comtec Liaoning, as lender entered into the loan agreement with Shenyang Guoyun, as borrower, pursuant to which, Comtec Liaoning agreed to grant a loan of RMB8.5 million to Shenyang Guoyun, for a term of 36 months from the date of drawdown (i.e. on or before 15 December 2023). The loan is unsecured and it bears interest of 10% per annum.

On 9 June 2025, One Leave New Energy (Jiangsu) Limited* (一葉新能源(江蘇)有限公司) (the “One Leave New Energy”), a wholly-owned subsidiary of the Company has entered into the Loan Agreement and agreed to grant the shareholder’s loan in the amount of RMB7,000,000 to Shenyang Guoyun, a company owned as to 15% by Comtec Energy Storage Technology, a partially-owned subsidiary of the Company, in order to support the working capital for the daily operations of the FLBH Energy System held by Yongji Guoyun Weikong Energy Technology Limited, a wholly-owned subsidiary of Shenyang Guoyun. The loan term is 2 months from the date of drawdown, which was 12 June 2025. The loan is unsecured and bearing interests of 10% per annum.

OUTLOOK

Asset allocation and/or refinancing, and deleveraging

As the Group has fully suspended its upstream manufacturing business including manufacturing and sales of solar wafers and related products which recorded operating losses in the last few years and has been undergoing corporate restructuring since 2020, we have diligently executed our strategies of disposing assets and properties with low utilisation to improve asset utilisation, reallocating resources to improve our capital structure, lowering our gearing ratio, and refinancing our assets and properties to enhance cashflow when opportunities arise. The Group is actively considering other investments in the Northeastern area of PRC in the field of power storage and renewable energy storage and the Company will make further announcement(s) to keep its shareholders and potential investors informed of any update as and when appropriate.

Further development of the logistics business segment

The Group plans to endeavour into the fields of carriage of dangerous goods, intelligent logistics and logistics finance by obtaining relevant licenses where necessary and partnering with certain local PRC government(s) as equity investor(s) as well as teams of specialists with industry knowhow and IT engineering expertise.

Strengthening our EPC business

Benefiting from national policy and the government’s active promotion of achieving the goals of “carbon peak” and “carbon neutrality,” the popularity of distributed photovoltaic power generation continues to rise, creating significant market development opportunities.

The Group has undertaken more than 30 distributed photovoltaic power generation EPC projects since 2017, including a project located in Shanghai with a capacity of 4,000 kW this year. Hampered by the COVID-19 pandemic in the past few years, the EPC business has been slowed down, and the Group now focuses on strengthening its EPC business by forming partnership(s) with professional industry investor(s) to undertake more EPC projects in the coming years. The Company will make further update(s) and/or announcement(s) on this as and when appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS

Strategic investments

The Group keeps an open mind for solid investment opportunities which can benefit our Group by, among others, delivering satisfying returns, bringing synergy and opportunities to existing businesses of the Group and enabling the Group to promote industrial upgrading. For instance, the Group invested in a frequency modulation energy-storage power station project (which involves an innovative flywheel energy storage technology) with a state-owned enterprise and one of the flywheel energy storage leaders in 2023. The Directors will continue to explore different opportunities and the potential opportunities of such investments will be disclosed as and when appropriate.

Energy Business – Fushan Project

In addition to the Group's existing rooftop solar operations, in 2023, the Group strategically invested in a minority stake in an energy project focused on a flywheel-lithium iron phosphate battery hybrid energy storage system in Shanxi Province, the PRC (the "Shanxi Flywheel Project"). Building on the Group's investment in the Shanxi Flywheel Project, the Group is currently exploring a new investment in a flywheel energy project with a total capacity of 150MW, including 20MW/2MWh flywheel energy storage and 130MW/200MWh lithium battery energy storage located in Fushan County, Shanxi Province, the PRC ("Fushan Project").

The feasibility study report has completed during the first half of 2025 and the Group entered into the letter of intent in relation to the Group's possible investment in the Fushan Project in March 2025.

The project is currently in the planning and initial stage, expecting to start construction in the second half of 2025 and be completed and put into operation in mid-2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to preserve high standards of corporate governance in the interests of Shareholders. During the Period, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the “CG Code”) save as and except for the deviation below:

Pursuant to Corporate Governance Code Provision C.2.1, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company currently has no Chief Executive Officer. The daily operation and management of the Company is undertaken and monitored by Mr. John Yi Zhang, an executive Director, and Mr. Che Xiaoxi, the chief operating officer. Meanwhile, Mr. Che Xiaoxi is also responsible for the day-to-day management, administration and operation of the Company. The delegated functions and work tasks are periodically reviewed. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of Chairman and Chief Executive Officer is necessary.

The Board has achieved its gender diversity target of not less than 10% for female Directors representation on the Company's Board.

MODEL CODE

The Company has adopted the Model Code set out in Appendix C3 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 throughout the Period.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The audit committee of the Company has held meetings to discuss the internal controls, risk management and financial reporting matters of the Company, including the review of the unaudited interim results and the unaudited condensed consolidated financial statements of the Group for the Period.

INTERIM DIVIDEND

The Board does not recommend any interim dividend to be declared for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Period.

As at 30 June 2025, the number of treasury shares held by the Company is nil.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that was publicly available to the Company and to the best knowledge of the Directors as at the date of this report, 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 during the Period.

DISCLOSURE OF INTEREST

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at the date of this report, the Directors and the chief executive of the Company and their respective associates had the following interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and short positions which the Directors and the chief executive of the Company were taken and deemed to have under such provisions of the SFO, or which are required to be and were recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Company

Name of Directors	Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Mr. John Yi Zhang ¹	Beneficiary of a trust, interest in a controlled corporation, interest of spouse and founder of a trust	120,985,078	11.41%
Mr. Dai Ji	Beneficial owner	67,500,000	6.37%

Note:

- (1) Fonty, which is 100% beneficially owned by Mr. Zhang, held 113,013,461 consolidated Shares. For the purposes of the SFO, Mr. Zhang is also deemed to be interested in 7,971,617 Consolidated Shares which are beneficially owned by Zhang Trusts For Descendants as the founder of the trust.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, as at the date of this report, none of the Directors or chief executive of the Company had or was deemed to have any interests or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed in this report, at no time throughout the Period was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

Substantial Shareholders' Interests And Short Positions In Shares And Underlying Shares

So far as is known to any Director or chief executive of the Company, as at the date of this report, the persons or corporations (other than Director or chief executive of the Company) who had interest or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in the Company

Name of Shareholders	Nature of interest	Number of Shares interested	Approximate percentage of interest in the issued share capital of the Company
Fonty Holdings Limited	Beneficial owner	113,013,461	10.66%
Ms. Carrie Wang ¹	Interest of spouse	120,985,078	11.41%
Mr. Sun Da	Beneficial owner	104,885,179	9.90%
China Digital Development Group Limited ²	Beneficial owner	95,238,094	8.98%
Mr. Wu Jun ²	Interest in a controlled corporation	95,238,094	8.98%
CHINA SUCCESS INVESTMENT GROUP LIMITED ³	Beneficial owner	15,605,100	1.47%
Mr. Chang Loong Cheong ³	Interest in a controlled corporation	68,925,100	6.50%
Brotherhood Limited ³	Beneficial owner	53,320,000	5.03%
FAIRY SKY GLOBAL LIMITED	Beneficial owner	67,976,316	6.41%
Ms. Zhao Xiaoqun	Interest in a controlled corporation	67,976,316	6.41%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) Ms. Carrie Wang is the spouse of Mr. John Yi Zhang, therefore, pursuant to the SFO, she is deemed to be interested in all the Shares in which Mr. John Yi Zhang is interested.
- (2) China Digital Development Group Limited is wholly owned by Mr. Wu Jun. Therefore, Mr. Wu Jun is deemed to be interested in the 95,238,094 Shares held by China Digital Development Group Limited.
- (3) Brotherhood Limited is wholly owned by CHINA SUCCESS INVESTMENT GROUP LIMITED and CHINA SUCCESS INVESTMENT GROUP LIMITED is controlled by Mr. Chang Loong Cheong. Therefore, Mr. Chang Loong Cheong is deemed to be interested in the 68,925,100 Shares held by CHINA SUCCESS INVESTMENT GROUP LIMITED and Brotherhood Limited.
- (4) FAIRY SKY GLOBAL LIMITED is controlled by Ms. Zhao Xiaoqun. Therefore, Ms. Zhao Xiaoqun is deemed to be interested in the 67,976,316 Shares held by FAIRY SKY GLOBAL LIMITED.

Save as disclosed above, as at the date of this report, the Directors were not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company which be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEMES

Share Option Scheme

The Company adopted a share option scheme (the “Old Share Option Scheme”) on 2 October 2009 for the purpose of motivating eligible persons to optimize their future contributions to the Group and/or reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

As at 30 June 2025, the total number of shares of the Company under the Old Share Option Scheme which may be issued upon exercise of all outstanding share options was 25,946,544 (after the Share Consolidation), representing approximately 2.45% of the shares of the Company in issue on 30 June 2025. Since the Old Share Option Scheme was terminated on 1 October 2019, no further options can be granted under it. However, the share options granted under the Old Share Option Scheme prior to its termination shall continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

In view of, among others, the fact that the Old Share Option Scheme expired on 1 October 2019, and for the same purposes above, the Company conditionally adopted a new share option scheme (the “New Share Option Scheme”) on 31 December 2018 (the “Adoption Date”). The New Share Option Scheme became unconditional and took effect on 17 January 2019 upon the Listing Committee’s granting the listing of, and permission to deal in the Shares falling to be issued pursuant to the exercise of option under the New Share Option Scheme, and the Old Share Option Scheme was terminated on even date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Under the New Share Option Scheme, the aggregate number of Shares in respect of which options (including both exercised and outstanding options) may be granted under the New Share Option Scheme and any other share option scheme(s) of the Company shall not, in aggregate exceed 10% of the total number of Shares in issue on the Adoption Date, i.e. 209,770,358 Unconsolidated Shares.

As at 30 June 2025, the total number of shares of the Company under the New Share Option Scheme which may be issued upon exercise of all outstanding share options was 22,982,956 (after the Share Consolidation), representing approximately 2.17% of the shares of the Company in issue on 30 June 2025.

No option may be granted to any participant of the New Share Option Scheme such that the total number of Shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

The number of share options available for grant under the New Share Option Scheme was 16,039,133 (after the Share Consolidation) as of 1 January 2025 and 16,039,133 (after the Share Consolidation) share options as of 30 June 2025.

According to the New Share Option Scheme, the maximum number of shares issued and to be issued upon exercise of the Options granted to any one Eligible Person (including Services Provider) in any 12-month period shall not exceed 1% of the total number of Shares in issue from time to time. As such, the number of share options available for grant to each new Service Provider under the New Share Option Scheme was 10,599,234 (after the Share Consolidation) as of 1 January 2025 and 10,599,234 (after the Share Consolidation) as of 30 June 2025 and to the existing 6 Service providers under the New Share Option Scheme was 42,016,948 (after the Share Consolidation) as of 1 January 2025 and 10,599,234 (after the Share Consolidation) as of 30 June 2025.

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised. Participants of the New Share Option Scheme are required to pay the Company HK\$1.0 upon acceptance of the grant on or before the 28th day after the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a Share;
- (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheets on the offer date; and
- (c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the offer date.

The New Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date, after which no further options will be granted or offered.

From 1 January 2023, the Company will rely on the traditional arrangement provided for the existing share schemes and will comply with the new Chapter 17 of the Listing Rules, which became effective from 1 January 2023.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Details of the share options exercised and lapsed under the Old Share Option Scheme during the Period are as follows:

Grantee	Date of grant	Exercise price per Share	After share consolidation					Balance as at 30 June 2025
			Balance as at 1 January 2025	Share options granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	
Director								
Mr. Chau Kwok Keung	2 May 2017	HK\$1.340	375,000	–	–	–	–	375,000
Mr. Kang Sun ⁽¹¹⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Leung Ming Shu ⁽¹¹⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Xu Erming ⁽¹¹⁾	2 May 2017	HK\$1.340	50,000	–	–	–	–	50,000
Mr. Zhang Zhen	2 May 2017	HK\$1.340	375,000	–	–	–	–	375,000
Other participants								
Employees	15 June 2018	HK\$0.604	1,150,000	–	–	–	–	1,150,000
Employees	2 May 2017	HK\$1.340	1,975,000	–	–	–	–	1,975,000
Consultants	15 June 2018	HK\$0.604	4,171,544	–	–	–	–	4,171,544
Consultants	2 May 2017	HK\$1.340	2,600,000	–	–	–	–	2,600,000
Consultants	9 September 2016	HK\$2.240	4,500,000	–	–	–	–	4,500,000
Consultants	25 November 2015	HK\$2.944	10,650,000	–	–	–	–	10,650,000
Consultants	26 June 2015	HK\$6.000	5,000,000	–	–	(5,000,000)	–	–
Total			30,946,544	–	–	(5,000,000)	–	25,946,544

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) All Share options granted under the Old Share Option Scheme on 24 May 2010, 28 June 2012, 27 December 2012, 30 September 2013, 31 March 2014, 11 May 2015 and 26 June 2025 have either lapsed or been cancelled by the grantees.
- (2) Share options granted under the Old Share Option Scheme on 25 November 2015 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Vesting Date	Percentage of Share Options to vest
25 November 2015	50% of the total number of Share Options granted
25 February 2015	12.5% of the total number of Share Options granted
25 May 2016	12.5% of the total number of Share Options granted
25 August 2016	12.5% of the total number of Share Options granted
25 November 2016	12.5% of the total number of Share Options granted

- (3) Share options granted under the Old Share Option Scheme on 9 September 2016 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Vesting Date	Percentage of Share Options to vest
9 September 2016	50% of the total number of Share Options granted
9 December 2016	12.5% of the total number of Share Options granted
9 March 2017	12.5% of the total number of Share Options granted
9 June 2017	12.5% of the total number of Share Options granted
9 September 2017	12.5% of the total number of Share Options granted

- (4) Share options granted under the Old Share Option Scheme on 2 May 2017 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

The 2,875,000 (after the Share Consolidation) Share Options (including the Share Options granted to the Directors) shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
2 August 2017	12.5% of the total number of Share Options granted
2 November 2017	12.5% of the total number of Share Options granted
2 February 2018	12.5% of the total number of Share Options granted
2 May 2018	12.5% of the total number of Share Options granted
2 August 2018	12.5% of the total number of Share Options granted
2 November 2018	12.5% of the total number of Share Options granted
2 February 2019	12.5% of the total number of Share Options granted
2 May 2019	12.5% of the total number of Share Options granted

The remaining 2,600,000 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
2 May 2017	50% of the total number of Share Options granted
2 August 2017	12.5% of the total number of Share Options granted
2 November 2017	12.5% of the total number of Share Options granted
2 February 2018	12.5% of the total number of Share Options granted
2 May 2018	12.5% of the total number of Share Options granted

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (5) The Company granted a total of 8,100,000 (after the Share Consolidation) Share Options on 2 May 2017, among which 1,050,000 (after the Share Consolidation) were not accepted by the relevant grantees.
- (6) Share options granted under the Old Share Option Scheme on 15 June 2018 shall vest in the grantees in accordance with the timetable below with a 10-year exercise period (for this purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Out of the 5,496,544 (after the Share Consolidation) Share Options granted, 4,171,544 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
15 June 2018	50% of the total number of Share Options granted
15 September 2018	12.5% of the total number of Share Options granted
15 December 2018	12.5% of the total number of Share Options granted
15 March 2019	12.5% of the total number of Share Options granted
15 June 2019	12.5% of the total number of Share Options granted

The remaining 1,150,000 (after the Share Consolidation) Share Options shall be subject to a vesting schedule as follows:

Vesting Date	Percentage of Share Options to vest
15 September 2018	12.5% of the total number of Share Options granted
15 December 2018	12.5% of the total number of Share Options granted
15 March 2019	12.5% of the total number of Share Options granted
15 June 2019	12.5% of the total number of Share Options granted
15 September 2019	12.5% of the total number of Share Options granted
15 December 2019	12.5% of the total number of Share Options granted
15 March 2020	12.5% of the total number of Share Options granted
15 June 2020	12.5% of the total number of Share Options granted

- (7) Mr. Kang Sun, Mr. Leung Ming Shu and Mr. Xu Erming resigned as a Director on 20 March 2021, 10 February 2021 and 29 January 2021 respectively.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Detail of the movement of the share options granted under the New Share Option Scheme during the Period are as follows:

			After share consolidation					
Grantee	Date of grant	Exercise price per Share	Balance	Share	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance
			as at 1 January 2025	options granted during the Period				as at 30 June 2025
Director								
Mr. Kang Sun ⁽²⁾	29 May 2019	HK\$0.280	150,000	–	–	–	–	150,000
Mr. Leung Ming Shu ⁽²⁾	29 May 2019	HK\$0.280	100,000	–	–	–	–	100,000
Other participants								
Employees	29 May 2019	HK\$0.280	2,704,500	–	–	–	–	2,704,500
Consultants	29 May 2019	HK\$0.280	20,028,456	–	–	–	–	20,028,456
Total			22,982,956	–	–	–	–	22,982,956

Notes:

- (1) Share options granted under the New Share Option Scheme on 29 May 2019 shall vest in the relevant grantee in accordance with the timetable below with a 10-year exercise period (for the purpose, the date or each such date on which the share options are to vest being hereinafter referred to as a "Vesting Date"):

Vesting Date	Percentage of Share Options to vest
29 May 2019	50% of the total number of Share Options granted
29 August 2019	12.5% of the total number of Share Options granted
29 November 2019	12.5% of the total number of Share Options granted
29 February 2020	12.5% of the total number of Share Options granted
29 May 2020	12.5% of the total number of Share Options granted

- (2) Mr. Kang Sun and Mr. Leung Shu Ming resigned as a Director on 20 March 2021 and 10 February 2021 respectively.

During the Period save as disclosed above, no options granted under the Old Share Option Scheme or the New Share Option Scheme were lapsed or cancelled.

Further details of the Old Share Option Scheme and the New Share Option Scheme are set out in note 18 to the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period for the six months ended 30 June 2025

		For the six months ended 30 June	
	NOTES	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	4	148,285	86,716
Cost of sales and services		(141,970)	(83,095)
Gross profit		6,315	3,621
Other income	5	4,110	3,468
Other gains and losses	6	(1,908)	(7,399)
Impairment loss on financial assets, net of reversal		(3,965)	1,986
Selling and distribution expenses		(473)	(1,118)
Administrative expenses		(13,077)	(15,811)
Research and development expenses		(211)	(411)
Finance costs	7	(13,867)	(12,486)
(Loss)/profit before taxation	8	(23,076)	(28,150)
Income tax credit/(expenses)	9	(589)	2,549
(Loss)/profit for the Period		(23,665)	(25,601)
Other comprehensive expense			
Item that will not be reclassified subsequently to profit or loss:			
Change in fair value of equity instruments designated at fair value through other comprehensive income ("FVTOCI")		1,762	(559)
Other comprehensive expense for the Period		1,762	(559)
Total comprehensive (expense)/income for the Period		(21,903)	(26,160)
(Loss)/profit for the Period attributable to:			
Owners of the Company		(22,800)	(25,254)
Non-controlling interests		(865)	(347)
		(23,665)	(25,601)
Total comprehensive (expense)/income attributable to:			
Owners of the Company		(20,251)	(25,538)
Non-controlling interests		(1,652)	(621)
		(21,903)	(26,159)
		RMB cents	RMB cents
(Loss)/earning per share			
– Basic	11	(2.15)	(2.50)
– Diluted	11	(2.15)	(2.50)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	NOTES	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		12,402	17,535
Investment properties		32,742	35,126
Intangible assets		–	–
Interest in associates		4,900	4,900
Financial assets at FVTOCI		5,390	3,528
Goodwill		–	–
Deferred tax assets		1,890	1,890
		57,324	62,979
Current assets			
Inventories		22,493	1,090
Trade receivables	12	12,122	12,505
Deposits, prepayment and other receivables, net		114,551	60,605
Pledged bank deposits		5	5
Cash and cash equivalents		6,377	9,075
		155,548	83,280
Current liabilities			
Trade payables	13	130,590	52,919
Other payables and accruals	14	126,486	112,168
Contract liabilities		2,538	2,365
Interest-bearing borrowings	15	21,463	21,345
Loan from shareholders		49,923	50,144
Tax liabilities		5,860	5,859
Deferred income		2,507	2,507
Consideration payable		5,130	5,130
Lease liabilities		2,429	2,575
Convertible bonds	16	4,135	4,152
		351,061	259,164
Net current liabilities		(195,513)	(175,884)
Total assets less current liabilities		(138,189)	(112,905)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	NOTES	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Non-current liabilities			
Interest-bearing borrowings	15	31,938	34,671
Deferred tax liabilities		2,342	1,746
Deferred income		1,883	2,303
Lease liabilities		7,975	8,799
		44,138	47,519
Net liabilities		(182,327)	(160,424)
Capital and reserves			
Share capital	17	3,727	3,727
Reserves		(192,905)	(171,080)
Equity attributable to owners of the Company		(189,178)	(167,353)
Non-controlling interests		6,851	6,929
Total deficits		(182,327)	(160,424)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period for the six months ended 30 June 2025

	Attributable to owners of the Company									Non-controlling interests	Total
	Share capital RMB'000	Share premium RMB'000	Share options reserve RMB'000	Special reserve RMB'000	Statutory surplus reserve RMB'000	Fair value reserve (non-recycle) RMB'000	Property revaluation reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000		
At 1 January 2024 (Audited)	3,153	1,586,920	118,187	17,382	84,609	700	–	(1,944,587)	(133,636)	(807)	(134,443)
Loss for the period	–	–	–	–	–	–	–	(27,794)	(27,794)	(347)	(28,141)
Other comprehensive expense for the period	–	–	–	–	–	(285)	–	–	(285)	(274)	(559)
Total comprehensive expense for the period	–	–	–	–	–	(285)	–	(27,794)	(28,079)	(621)	(28,700)
Shares issued upon subscription of new shares	574	14,013	–	–	–	–	–	–	14,587	–	14,587
At 30 June 2024 (Unaudited)	3,727	1,600,933	118,187	17,382	84,609	415	–	(1,972,381)	(147,128)	(1,428)	(148,556)
At 1 January 2025 (Audited)	3,727	1,600,933	118,187	17,382	84,760	779	–	(1,993,121)	(167,353)	6,929	(160,424)
Loss for the period	–	–	–	–	–	–	–	(22,800)	(22,800)	(865)	(23,665)
Other comprehensive expense for the period	–	–	–	–	–	975	–	–	975	787	1,762
Total comprehensive expense for the period	–	–	–	–	–	–	–	–	–	–	–
Shares issued upon subscription of new shares	–	–	–	–	–	–	–	–	–	–	–
At 30 June 2025 (Unaudited)	3,727	1,600,933	118,187	17,382	84,760	1,754	–	(2,015,921)	(189,178)	6,851	(182,327)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Period for the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Operating activities		
(Loss) profit before taxation	(23,665)	(25,254)
Adjustments for:		
Interest income	(466)	(529)
Interest expenses	13,867	12,486
Depreciation of property, plant and equipment	5,082	3,998
Depreciation of right-of-use assets	1,125	1,128
Fair value loss on investment properties	2,384	10,163
Release of deferred income	(420)	(2,087)
Gain on disposal of property, plant and equipment	(59)	–
Impairment loss of financial assets	3,965	1,976
Net foreign exchange (gain) loss	315	(2,606)
Operating cash flows before movements in working capital	2,129	(725)
Increase in inventories	(21,403)	(143)
Decrease (Increase) in trade and other receivables	(11,691)	23,663
Increase in advance to suppliers	(45,837)	(3,027)
(Decrease) Increase in trade and other payables	79,668	(27,643)
Decrease in contract liabilities	173	(1,045)
Cash (used in) generated from operations	3,039	(8,920)
Interest paid	–	–
Taxes paid	–	(72)
Net cash (used in) from operating activities	3,039	(8,992)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Period for the six months ended 30 June 2025

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Investing activities		
Interest received	466	104
Proceeds from disposal of property, plant and equipment	142	–
Purchases of financial assets at FVTOCI	(100)	(100)
Purchase of property, plant and equipment	(1,158)	–
Net cash from investing activities	(650)	4
Financing activities		
Interest-bearing borrowings raised	–	5,940
Interest paid	(1,549)	(1,421)
Repayment of bank and other borrowings	–	(2,275)
Repayment of interest-bearing borrowings	(2,568)	–
Repayment of lease liabilities	(970)	(2,525)
Net cash used in financing activities	(5,087)	(281)
Net decrease in cash and cash equivalents	(2,698)	(9,269)
Cash and cash equivalents at beginning of the period	9,075	18,286
Cash and cash equivalents at end of the period, represented by bank balances and cash	6,377	9,017

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

1. GENERAL

The condensed consolidated financial statements of Comtec Solar Systems Group Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to the “Group”) for the six months ended 30 June 2025 were authorised for issue in accordance with a resolution of the board of directors of the Company on 29 August 2025.

The Company is a public limited company incorporated in the Cayman Islands and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 30 October 2009. Its parent company and ultimate holding company is Fonty Holdings Limited, a company incorporated in the British Virgin Islands with limited liability. Its ultimate controlling party is Mr. John Yi Zhang (“Mr. Zhang”), who is the chairman and a director of the Company.

The Company is an investment holding company. The Group is principally engaged in research, production and sales of power storage products and lithium battery products, the provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations, operation of rooftop distributed power generation projects in industrial, commercial and residential buildings and provision of logistics services to factories, manufacturers, raw material providers.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2025 are unaudited, but have been reviewed by the audit committee of the Company. The condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange and International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”).

The condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

The Group incurred a net loss of approximately RMB23.7 million for the six months ended 30 June 2025 and had net current liabilities and net liabilities of approximately RMB195.5 and RMB182.3 as at that date respectively. Notwithstanding the above results, the condensed consolidated financial statements have been prepared on a going concern basis, the validity of the going concern basis is dependent upon the success of the Group’s future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

2. BASIS OF PREPARATION *(continued)*

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

- Mr. Zhang has committed to provide necessary financial support in the form of debt and/or equity to the Group to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future;
- Mr. Dai Ji has committed to provide necessary financial support in the form of debt and/or equity to the Group to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future;
- Considering the Group has been able to roll over or obtain replacement borrowings from existing credit for most of its short-term interest-bearing borrowings upon their maturity historically, the Group will continue to do so for the foreseeable future;
- The Group has made an investment in a flywheel-lithium iron phosphate battery hybrid energy storage system and advanced a shareholders' loan in the amount of RMB15,500,000 to improve profitability;
- The Group intends to acquire a company which operates a logistics cloud technology platform that provides transportation management system, IoT product, logistics financial products, and different one-stop solutions catering to the varying needs of customers in the PRC to enhance the Group's existing business and improve profitability;
- The Company has been actively negotiating with Putana for an overall settlement plan in relation to the above indebtedness. In this regard, the Company has introduced a strategic investor, namely, Pandana Capital Limited ("Pandana"), to acquire the above indebtedness. The debt acquisition was initially expected to be completed within 2023 but the ongoing negotiation and discussion of the acquisition was halted in around early September 2023 and resumed in the first quarter of 2024. Further to the substantial payment made in 2024, the strategic investor has to date made all of the payment, in cash and in equity, in relation to the above debt acquisition. The Directors are confident that Pandana will complete the acquisition in full the indebtedness owed by the Company to Putana in 2025; and
- The Group is adopting strict control of operating and investing activities.

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property, investments in equity securities and convertible bonds that are measured at fair value at the end of the reporting period.

Other than changes in accounting policies resulting from the application of new and amendments to International Financial Reporting Standards ("IFRSs") as explained below, the accounting policies and methods of computation used in the condensed consolidation financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

New and amendments to IFRSs that are effective for the current period

The Group has adopted the following new and amendments to IFRS which are effective for the financial year beginning on or after 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

The adoption of above amendments to IFRS does not have a material impact on these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations and production and sales of power storage products and lithium battery products. Also, the Group is providing logistic services to factories, manufacturers, raw material providers.

(i) *Disaggregation of revenue from contracts with customers*

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Solar and power storage		
Power generation	6,171	5,188
Power storage (sales and production)	878	6,595
EPC consulting		
– photovoltaic power stations	2,912	634
– power storage companies	88,821	–
	91,733	634
	98,782	12,417
Logistics	49,503	74,299
Total	148,285	86,716

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 4(b)(i).

(ii) *Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date*

The Group has applied the practical expedient in IFRS 15 to all its contracts such that no information regarding revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date is disclosed because either the remaining performance obligation is part of a contract that has an original expected duration of one year or less or the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the Group's performance completed to date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being the chief operating decision maker (the "CODM") for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Solar and power storage – Provision of consulting services for investment, development, construction and operation of solar photovoltaic power stations and production and sales of power storage products and mono-crystalline products.
- Logistics services – Provision of logistics services to factories, manufacturers, raw material providers in the PRC, primarily in the Jiangsu Province.

(i) Segment revenue and results

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results attributable to each reportable segment on the following bases:

Segment result includes revenue and expenses that are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments.

In addition, the CODM is provided with segment information concerning revenue and other information relevant to the assessment of segment performance and allocation of resources between segments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(i) *Segment revenue and results (continued)*

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2025 and 2024 is set out below.

For the six months ended 30 June 2025

	Solar and power storage RMB'000 (Unaudited)	Logistics services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Disaggregated by timing of revenue recognition			
Point in time	89,699	–	89,699
Over time	9,083	49,503	58,586
Total revenue	98,782	49,503	148,285
Segment loss	(790)	(1,375)	(2,165)
Unallocated income			2,201
Unallocated corporate expenses			(6,829)
Unallocated finance costs			(12,318)
Impairment loss on financial assets, net of reversal			(3,965)
Loss before taxation			(23,076)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(i) Segment revenue and results *(continued)*

For the six months ended 30 June 2024

	Solar and power storage RMB'000 (Unaudited)	Logistics services RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Disaggregated by timing of revenue recognition			
Point in time	6,595	–	6,595
Over time	5,822	74,299	80,121
Total revenue	12,417	74,299	86,716
Segment profit	4,114	1,244	5,358
Unallocated income			6,233
Unallocated corporate expenses			(27,773)
Unallocated finance costs			(11,968)
Loss before taxation			(28,150)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit (loss) of each segment without allocation of central and other operating expenses, certain unallocated other income and finance cost and impairment loss on financial assets, net of reversal. This is the measure reported to the directors of the Company with respect to the resource allocation and performance assessment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(ii) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

Segment assets

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Solar and power storage	113,392	27,221
Logistics services	7,405	6,721
Total segment assets	120,797	33,942
Corporate and other assets	92,075	112,317
Total assets	212,872	146,259

Segment liabilities

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Solar and power storage	102,334	58,292
Logistics services	7,167	8,366
Total segment liabilities	109,501	66,658
Corporate and other liabilities	285,698	240,025
Total liabilities	395,199	306,683

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(ii) Segment assets and liabilities *(continued)*

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segment, other than unallocated property, plant and equipment, investment properties, unallocated deposits, prepayments and other receivables, unallocated bank balances and cash and other corporate assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- All liabilities are allocated to operating segments, other than unallocated other payables and accruals, unallocated lease liabilities, unallocated interest-bearing borrowings, convertible bonds, consideration payable, deferred tax liabilities and other corporate liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment liabilities.

(iii) Other segment information

For the six months ended 30 June 2025 (unaudited)

	Mono-crystalline and solar products RMB'000	Solar and power storage RMB'000	Logistics services RMB'000	Unallocated RMB'000	Total RMB'000
Amounts include in the measure of segment profit or loss of segment assets:					
Depreciation and amortisation	–	4,221	–	1,986	6,207
Impairment loss on financial assets, net of reversal	–	–	–	3,965	3,965
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss of segment assets:					
Finance costs	–	1,550	–	12,317	13,867
Income tax credit	–	(7)	–	596	589

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

4. REVENUE AND SEGMENT REPORTING *(continued)*

(b) Segment reporting *(continued)*

(iii) Other segment information *(continued)*

For the six months ended 30 June 2024 (unaudited)

	Mono-crystalline and solar products RMB'000	Solar and power storage RMB'000	Logistics services RMB'000	Unallocated RMB'000	Total RMB'000
Amounts include in the measure of segment profit or loss of segment assets:					
Depreciation and amortisation	–	3,137	–	1,989	5,126
Impairment loss on financial assets, net of reversal	–	(735)	(1,235)	(16)	(1,986)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss of segment assets:					
Finance costs	–	1,938	–	10,548	12,486
Income tax credit	–	(9)	1	(2,541)	(2,549)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

5. OTHER INCOME

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Government grants (<i>note</i>)	420	2,087
Rental income	3,224	852
Interest income	466	529
	4,110	3,468

Note: The government grants mainly represent the amount received from the local government by operating subsidiaries of the Group to encourage activities aimed out by the Group in clean energy industry and high-technology advancement. No specific conditions are attached to the grant.

6. OTHER GAINS AND LOSSES

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net foreign exchange gain	802	2,606
Fair value loss on investment properties	(2,384)	(10,163)
Gain on deregistration of subsidiaries	–	–
Others	(326)	158
	(1,908)	(7,399)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

7. FINANCE COSTS

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on bank borrowings	–	–
Interest on other borrowings	3,813	3,824
Interest on loans from shareholders	8,902	7,293
Interest on convertible bonds	900	853
Interest on leases liabilities	252	516
	13,867	12,486

8. PROFIT/LOSS BEFORE TAXATION

Profit/loss before taxation has been arrived at after charging:

(a) Staff costs

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
– Salaries, wages, bonus and other benefits (including of director's emoluments)	3,234	2,506
– Retirement benefits schemes contributions	244	168
Total staff costs	3,478	2,674

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

8. PROFIT/LOSS BEFORE TAXATION *(continued)*

(b) Other items

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Depreciation charge		
– owned property, plant and equipment	5,083	3,998
– right-of-use assets	1,124	1,128
	6,207	5,126

9. TAXATION

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax		
PRC Enterprise Income Tax	(7)	(8)
Deferred tax		
Current period	596	(2,541)
Income tax expense/(credit)	589	(2,549)

No Hong Kong Profits Tax was provided for the six months ended 30 June 2025 and 2024 as the group entities had no assessable profits or incurred tax losses in Hong Kong.

PRC Enterprise Income Tax was calculated at the applicable tax rate of 25% in accordance with the relevant laws and regulations in the PRC for the six months ended 30 June 2025 and 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

10. DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2025 and 2024.

11. (LOSS)/EARNING PER SHARE

The calculation of basic and diluted (loss)/earning per share attributable to owners of the Company is based on the following data:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
(Loss)/earning		
(Loss)/earning for the Period attributable to owners of the Company	(22,800)	(25,254)
Number of shares		
Weighted average number of ordinary shares in issue	1,059,923,412	1,008,592,828
Weighted average number of outstanding and vested share options	–	53,929,500
Weighted average number of shares for the purpose of diluted earnings per share	1,059,923,412	1,008,592,828 ^(Note)

Note:

The computation of diluted loss per share does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares for 30 June 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

12. TRADE RECEIVABLES

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Trade receivables	30,643	27,125
Less: expected credit loss for trade receivables	(18,521)	(14,620)
	12,122	12,505

The Group requests prepayment from customers before delivery of goods and allows a credit period of 7 to 180 days for the remaining balance on case-by-case basis. The following is an ageing analysis of trade receivables net of impairment based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates:

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
0 to 30 days	9,736	8,979
31 to 60 days	261	278
61 to 90 days	272	428
91 to 180 days	1,803	1,217
Over 180 days	50	1,603
	12,122	12,505

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

13. TRADE PAYABLES

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

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
0 to 30 days	8,212	2,691
31 to 60 days	20,777	430
61 to 90 days	5,363	348
91 to 180 days	46,691	27
181 to 360 days	163	7,403
Over 360 days	49,384	42,020
	130,590	52,919

The average credit period on purchases of goods is 7 to 180 days and certain suppliers grant a longer credit period on a case-by-case basis.

14. OTHER PAYABLES AND ACCRUALS

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Interest payables	77,060	66,236
Other payables and accrued charges	40,595	37,101
Amounts due to associates	4,900	4,900
Payables for acquisition of property, plant and equipment	3,931	3,931
	126,486	112,168

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

15. INTEREST-BEARING BORROWINGS

	NOTES	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Other borrowings			
– secured	15(a)	30,321	32,444
– unsecured	15(a)	23,080	23,572
		53,401	56,016

(a) Other borrowings

At the end of the reporting period, the Group's other borrowings are unsecured, interest-bearing at rates ranging from 1.84% to 24% (2023: 5.2% to 24%) per annum and repayable within twelve months.

16. CONVERTIBLE BONDS AND LOAN ADVANCE FROM A RELATED PARTY

The Company issued USD settled convertible bonds (the "Bonds") at an aggregate principal amount of USD10,000,000 with interest rate of 10% per annum on 27 July 2018.

The principal terms of the Bonds

- (i) Denomination of the Bonds – The Bonds are denominated and settled in USD.
- (ii) Maturity date – The third anniversary of the date of issuance, which is 27 July 2021.
- (iii) Interest – The Bonds carry interest at 10% per annum, accrued on a daily basis, of which 3% shall be paid in cash semi-annually in arrears and 7% should be paid in cash upon redemption or maturity.
- (iv) Security – The obligations of Company in respect of the Bonds are secured by the share charge of Comtec Solar (Hong Kong) Limited and Future Energy Capital Group Limited.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

16. CONVERTIBLE BONDS AND LOAN ADVANCE FROM A RELATED PARTY

(continued)

The principal terms of the Bonds *(continued)*

(v) Conversion

- (a) Conversion price – The conversion price is HKD0.174 per share, subject to adjustments.

Upon the completion of the Share Consolidation on 28 August 2019, the conversion price has been increased to HKD0.696 per share.

- (b) Conversion period – The bondholder shall have the right, on any business day after the date of issuance until and including the seventh business day immediately preceding the maturity date, to convert the whole or part of the outstanding principal amounts of the Bonds.

- (c) Number of conversion shares issuable – The number of conversion shares to be issued shall be calculated based on the principal amount of the Bonds being converted and the conversion price applicable on the relevant conversion date. No fraction of a share shall be issued on conversion of the Bonds.

The Bonds contain two components, the debt component and the derivative component. The effective interest of the debt component is 12.44%. The derivative component is measured at fair value with changes in fair value recognised in profit or loss subsequently.

The Company received the conversion notices from the subscriber for the exercise of the conversion rights attached to the Bonds in respect of the aggregate principal amount of USD2,000,000 and USD2,000,000 on 5 March 2021 and 18 March 2021 respectively. Pursuant to the conversion price of HKD0.696 per conversion share which is the adjusted conversion price after implementation of the Share Consolidation on 28 August 2019, a total number of 22,556,896 and 22,556,896 conversion shares have been issued to the subscriber on 5 March 2021 and 18 March 2021 respectively.

During the year ended 31 December 2023, certain principal amount of the Bonds of approximately USD4,008,000 (equivalent to RMB28,389,000) was repaid by a related party on the Company's behalf following a debt restructuring exercise as instructed by one of our new strategic investors. The amount is subsequently agreed and recognised as a loan advance from a related party.

During the year ended 31 December 2024, certain principal amount of the Bonds of approximately USD1,414,000 (equivalent to RMB10,165,000) was offset by a related party.

As at 30 June 2025, the aggregate principal amount of the Bonds of approximately USD578,000 (equivalent to RMB4,135,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

16. CONVERTIBLE BONDS AND LOAN ADVANCE FROM A RELATED PARTY

(continued)

The principal terms of the Bonds (continued)

The movements of the debt and derivative components of the Bonds for the year are set out below:

	Debt component RMB'000	Derivative component RMB'000
At 1 January 2024 (Audited)	14,107	–
Off-setting	(10,165)	–
Exchange difference	210	–
At 31 December 2024 and 1 January 2025 (Audited)	4,152	–
Exchange difference	(17)	–
At 30 June 2025 (Unaudited)	4,135	–

Loan advance from a related party

The loan is unsecured, repayable on demand and interest bearing at the maximum interest rate permitted under the applicable law following the original subscription agreement pursuant to which the Company issued USD denominated convertible bonds on 27 July 2018.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

17. SHARE CAPITAL

	At 30 June 2025		At 31 December 2024	
	No. of shares (Unaudited)	HKD'000 (Unaudited)	No. of shares (Audited)	HKD'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.004 each	1,900,000,000	7,600	1,900,000,000	7,600
Issued and fully paid:				
At the beginning of period/year	1,059,923,412	4,240	901,581,612	3,606
Share subscriptions (<i>note</i>)	–	–	158,341,800	634
At the end of the period/year	1,059,923,412	4,240	1,059,923,412	4,240

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Presented in RMB:		
Ordinary shares	3,727	3,727

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Note: The Company has completed three share subscriptions on 28 February 2024 to settle certain liabilities of approximately HK\$7,416,000 (equivalent to approximately RMB6.7 million) of the Group and receive cash proceeds, net of relevant transaction expenses, of approximately HK\$8,710,000 (equivalent to approximately RMB8.3 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

18. SHARE-BASED COMPENSATION

(a) Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of 10 years from 2 October 2009, after which no further options will be granted or offered. The Share Option Scheme expired on 1 October 2019.

Set out below are the details of movements of the outstanding options granted under the Share Option Scheme during the six months ended 30 June 2025 and the year ended 31 December 2024:

Date of grant	2024					2025				
	At 1 January 2024	Cancelled	Lapsed	At 31 December 2024	Exercise price (HKD)	At 1 January 2025	Cancelled	Lapsed	At 30 June 2025	Exercise price (HKD)
15 June 2018	5,321,544	—	—	5,321,544	0.604	5,321,544	—	—	5,321,544	0.604
2 May 2017	5,475,000	—	—	5,475,000	1.340	5,475,000	—	—	5,475,000	1.340
9 September 2016	4,500,000	—	—	4,500,000	2.240	4,500,000	—	—	4,500,000	2.240
25 November 2015	10,650,000	—	—	10,650,000	2.944	10,650,000	—	—	10,650,000	2.944
26 June 2015	5,000,000	—	—	5,000,000	6.000	5,000,000	—	(5,000,000)	—	6.000
31 March 2014	225,000	—	(225,000)	—	5.544	—	—	—	—	5.544
30 September 2013	—	—	—	—	7.480	—	—	—	—	7.480
	31,171,544	—	(225,000)	30,946,544		30,946,544	—	(5,000,000)	25,946,544	

All of the above options are fully vested and exercisable as at 30 June 2025 and 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

18. SHARE-BASED COMPENSATION *(continued)*

(b) New Share Option Scheme

Set out below are the details of movements of the outstanding options granted under the New Share Option Scheme during the six months ended 30 June 2025:

Date of grant	1 January 2024	Exercise	Cancelled	Lapsed	At 31 December 2024, 1 January 2025 and 30 June 2025
29 May 2019	22,982,956	–	–	–	22,982,956
Exercise price (HKD)	0.280				0.280
Exercisable	22,982,956				22,982,956

The Group did not recognise any expenses for the six months ended 30 June 2025 and 2024 in relation to the share options granted by the Company under the New Share Option Scheme.

19. PLEDGED OF ASSETS

	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Bank deposits	5	5
Plant and machinery	10,903	11,221
Trade receivables	1,514	1,491
	12,422	12,717

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the six months ended 30 June 2024 was as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term employee benefits	1,641	1,331
Post-employment benefits	275	165
	1,916	1,496

The remuneration of directors and key management personnel is determined by the remuneration committee of the Company having regard to the performance of the individuals and market trends.

(b) Transactions with related parties

Other than as disclosed in note 7, 16 and elsewhere in these consolidated financial statements, the Group has following material transactions with related parties, which were entered into at terms mutually agreed with respective parties.

Related party relationship	Nature of transaction	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Mr. Sun Da, shareholder of the Company	Interest expense on unsecured borrowing	90	178
China Success Investment Group Limited and its subsidiaries ("CSI Group")	Shared services fee and facility costs	748	1,398
	Interest expense on unsecured borrowing	8,902	13,119

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Period for the six months ended 30 June 2025

20. RELATED PARTY TRANSACTIONS *(continued)*

(c) Balances with related parties

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following material balances with related parties:

Related party relationship	Nature of balances	At 30 June 2025 RMB'000 (Unaudited)	At 31 December 2024 RMB'000 (Audited)
Mr. Sun Da, shareholder of the Company	Interest expense payable on unsecured borrowing included in "Other payables and accruals" (note 14)	802	724
	Interest-bearing borrowings included in "Loans from shareholders"	1,186	1,204
		1,988	1,928
Shenyang Com Haoyang	Amounts due to associates included in "Other payables and accruals" (note 14)	2,450	2,450
Shenyang Com Runze	Amounts due to associates included in "Other payables and accruals" (note 14)	2,450	2,450
		4,900	4,900
CSI Group	Shared services fee and facility costs payable included in "Other payables and accruals" (note 14)	3,983	3,235
	Amount due to the CSI Group included in "Other payables and accruals" (note 14)	9,118	6,336
	Interest expense payable on unsecured borrowing included in "Other payables and accruals" (note 14)	48,737	10,972
	Interest-bearing borrowings included in "Loans from shareholders"	19,207	48,940
		81,045	69,483
Shenyang Guoyin Weikong Energy Storage Technology Limited	Loan receivable, net	15,233	8,311
		15,233	8,311

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board” or “Board of Directors”	the board of Directors
“Company”	Comtec Solar Systems Group Limited
“Convertible Bonds”	the convertible bonds due 2021 with interests issued by the Company to Putana Limited, a company incorporated under the laws of British Virgin Islands and an independent third party, and such issuance was completed and closed on 31 July 2018
“Corporate Governance Code” or “CG Code”	Code on corporate governance practices contained in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of certain properties in Shanghai comprise of two land use rights and seven factory buildings
“Fonty”	Fonty Holdings Limited, a company incorporated under the laws of the British Virgin Islands
“Framework Agreement”	A strategic cooperation framework agreement which the Company entered with Jiangsu Changzhou Tianning Economic Development Zone Management Committee and Changzhou Tianning Investment Service Centre on 16 March 2021
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“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 C3 to the Listing Rules

DEFINITIONS

“Period”	The six months ended 30 June 2025
“PRC” or “China”	the People’s Republic of China which, for the purpose of this report, excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	Ordinary share(s) of HK\$0.004 each in the share capital of the Company
“Share Consolidation”	the share consolidation of every four issued and unissued Unconsolidated Shares into one (1) Share
“Shareholder(s)”	Shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Unconsolidated Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company prior to the Company’s share consolidation which took effect on 28 August 2019
“USD”	United States dollars, the lawful currency of the United States of America
“*”	For identification only
“%”	per cent