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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)

**UPDATE ON THE USE OF PROCEEDS
FROM SUBSCRIPTIONS OF NEW SHARES**

Reference is made to the annual report of Comtec Solar Systems Group Limited (the “**Company**”) for the year ended 31 December 2017 dated 29 March 2018 (the “**Annual Report**”), the Company’s announcements dated 13 July 2017 and 20 July 2017 and the Company’s announcements dated 21 July 2017 and 18 October 2017 (the “**Announcements**”) in relation to certain subscriptions of new shares (the “**Subscriptions**”). Terms defined in the Announcements shall have the same meanings when used in this announcement unless otherwise stated.

As disclosed in the Announcements, the net proceeds from the Subscriptions were intended to be used as general working capital of the Group. As at the date of the Annual Report, all the net proceeds from each of the Subscriptions have been used up. The Board wishes to provide the following additional information to the Shareholders in relation to the actual use of proceeds from the Subscriptions:

Date of announcement	Fund raising activities	Net proceeds raised	Proposed use of proceeds	Actual use of proceeds
13 July 2017 and 20 July 2017	118,389,897 subscriptions shares were allotted and issued to Rich Reach Holdings Limited in pursuant to a subscription agreement dated 13 July 2017 entered into between the Company and Rich Reach Limited	Approximately HK\$29.2 million	General working capital of the Group	Approximately HK\$29.2 million was used to settle payables to suppliers for the purchase of raw materials

Date of announcement	Fund raising activities	Net proceeds raised	Proposed use of proceeds	Actual use of proceeds
21 July 2017 and 18 October 2017	190,912,714 subscription shares were allotted and issued to Advanced Gain Limited in pursuant to a subscription agreement dated 21 July 2017 entered into between the Company and Advanced Gain Limited	Approximately HK\$46.93 million	General working capital of the Group	Approximately HK\$46.93 million was used to settle payables to suppliers for the purchase of raw materials

The abovementioned uses are consistent with the intended use of proceeds as disclosed in the Announcements.

The Company also refers to its announcement dated 18 May 2018 and its circular dated 9 July 2018 (the “**CB Issuance Documents**”) in relation to its issuance of convertible bonds (the “**CB Issuance**”) and its announcement dated 30 August 2018 in relation to its interim results for the six months ended 30 June 2018 (the “**Interim Results Announcement**”).

As disclosed in the Interim Results Announcement, as at 30 August 2018, US\$2 million of the net proceeds from the CB Issuance had been used as working capital. The Board wishes to provide the following additional information to the Shareholders in relation to the actual use of proceeds from the CB Issuance:

Date of announcement	Fund raising activities	Net proceeds raised	Proposed use of proceeds	Actual use of proceeds
18 May 2018 and 30 August 2018	the issue of convertible bonds in the aggregate principal amount of US\$10.0 million due 2021 with interest rate per annum of 10.0% in pursuant to a subscription agreement dated 18 May 2018 entered into between the Company and Putana Limited	Approximately US\$9.9 million	(i) 20% of which would be used as general working capital of the Group; (ii) 80% of which would be used for providing funding for Future Energy and other downstream projects	Approximately US\$2 million has been utilized to repay loans Approximately US\$7.9 million are not yet utilized, and are expected to be utilized to provide funding to Future Energy Capital Group Limited and other downstream solar projects to be undertaken by the Group

The abovementioned uses are consistent with the intended use of proceeds as disclosed in the CB Issuance Documents.

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

Shanghai, the People's Republic of China, 5 September 2018

As at the date of this announcement, the executive Directors are Mr. John Yi Zhang, Mr. Zhang Zhen and Mr. Chau Kwok Keung, the non-executive Director is Mr. Wang Yixin, and the independent non-executive Directors are Mr. Leung Ming Shu, Mr. Kang Sun and Mr. Xu Erming.