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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)

INSIDE INFORMATION

**LETTER OF INTENT
IN RELATION TO
DOWNSTREAM SOLAR POWER PROJECT DEVELOPMENT**

This announcement is made by Comtec Solar Systems Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

THE POTENTIAL INVESTMENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 3 June 2016 (after trading hours), the Company entered into a letter of intent (the “**LOI**”) with the shareholders (the “**Potential Vendors**”) of a company incorporated under the laws of Hong Kong (the “**Target Company**”). Pursuant to the LOI, the Company expressed its intention to acquire, and the Potential Vendors expressed their intention to sell, the entire issued share capital of the Target Company (the “**Potential Investment**”).

The Target Company is engaged in the provision of project development services and the development of downstream solar power projects in the People’s Republic of China (the “**PRC**”). Based on the information provided by the Potential Vendors and the Target Company, it is currently expected that the Target Company will complete approximately 70MW downstream solar projects in 2016, and in aggregate no less than 300MW downstream solar projects by the end of 2018.

REASONS FOR AND BENEFITS OF THE POTENTIAL INVESTMENT

As of the date of this announcement, the Group was principally engaged in the manufacture and sales of solar wafers and related products and provision of processing service for solar products and was one of the few PRC-based solar companies with sizeable overseas production facilities. The Company intends to explore opportunities to expand into downstream solar business with a view to creating synergy through integration of the downstream solar business with the existing upstream solar business of the Group. The Potential Investment represents an attractive opportunity for the Group to expand into the downstream solar business.

OTHER INFORMATION

The Company and the Potential Vendors agreed that, for a period of 60 business days commencing from the date of the signing of the LOI (“**Exclusivity Period**”), the Company shall conduct due diligence and valuation against the Target Company. During the Exclusivity Period, the Potential Vendors shall not, and shall procure its management, directors, employees, advisers, representatives or agents not to, directly or indirectly, solicit offer for, discuss, negotiate, or enter into any agreement, understanding or commitment regarding the potential sale of the shares of the Target Company, or provide any relevant information to any third party.

The Company and the Potential Vendors further agreed that, save for certain provisions relating to, among others, due diligence, exclusivity and confidentiality, the LOI is not legally binding against the parties.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Target Company, the Potential Vendors and their respective ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons.

The Proposed Investment contemplated under the LOI is subject to the entering into of the definitive agreement by the parties and the relevant terms and conditions have not yet been finalized and therefore the Proposed Investment may or may not materialise. If the Potential Investment materialises, it may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) in respect of the Potential Investment will be made by the Company as and when appropriate in accordance with the Listing Rules.

As the Potential Investment may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Shanghai, the People’s Republic of China, 3 June 2016

As at the date of this announcement, the executive Directors are Mr. John Yi Zhang and Mr. Chau Kwok Keung, 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.