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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)

BUSINESS UPDATE

**STRATEGIC COOPERATION WITH ISDN HOLDINGS
IN THE ENERGY INDUSTRY**

This announcement is made by Comtec Solar Systems Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 25 May 2017, the Company entered into a strategic cooperation framework agreement (the “**Framework Agreement**”) with ISDN Holdings Limited (“**ISDN Holdings**”), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1656) and the Stock Exchange of Singapore (stock code: I07.SI), in relation to the proposed strategic cooperation in the energy industry.

THE FRAMEWORK AGREEMENT

Date

25 May 2017

Parties to the Framework Agreement

(1) the Company; and (2) ISDN Holdings

Material terms of the Framework Agreement

Pursuant to the Framework Agreement, the Company and ISDN Holdings intend to, among others, cooperate in the energy industry in the following aspects:

- The parties shall leverage their own advantages and choose each other as partners on a priority basis in relation to the development, design, construction and operation of the solar power generation station projects.
- For the distributed photovoltaic power generation projects where the parties propose to cooperate with each other, ISDN Holdings shall conduct resource integration and develop such projects on its rooftops and spare space while the Company shall participate and provide all detailed technical and commercial support from the development period to the construction period to ensure all relevant indexes can meet with the investment feasibility.
- Taking advantage of both the Company's enriched experience and advanced technology background in the construction of distributed photovoltaic power generation projects and ISDN Holding's space resources, the Parties will conduct further research and development and together promote the quality of each process involved therein and make preparation for the expansion of other businesses, for example, power storage, microelectronics technology and sales of electricity.
- ISDN Holdings can also provide right of refusal to the Company to for sales of roof distributed photovoltaic power stations which might be developed and constructed by itself in the future to the Company at fair-market price.
- The Parties will also, by leveraging their own resources and advantages, fully cooperate in the power storage and electric bar charging business to reach mutual benefits.

REASONS FOR AND BENEFITS OF THE FRAMEWORK AGREEMENT

Since September 2016, the Group commenced to expand into the business of downstream solar project development, which the Directors believe would diversify the business of the Company and fuel the growth of the Group. The Framework Agreement marks the Group's continuous efforts to develop and expand downstream solar business with a view to creating synergy through integration of the downstream solar business with the Group's existing upstream solar business.

Accordingly, the Directors (including the independent non-executive Directors) are of the view that the Framework Agreement is in the best interest of the Company and the shareholders of the Company as a whole.

INFORMATION ON THE COMPANY

The Company and its subsidiaries are principally engaged in the research, production and sales of efficient mono-crystalline products and the investment, development, construction and operation of the solar photovoltaic power stations.

INFORMATION ON ISDN HOLDINGS

ISDN Holdings is a company incorporated in the Republic of Singapore and dually listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1656) and the Stock Exchange of Singapore (stock code: I07.SI). The principal activities of ISDN Holdings include the provision of technical consultancy, training services, and management services, principally focusing on provision of services on motion control and engineering solutions.

Shareholders and investors of the Company should exercise caution when dealing in the shares of the Company.

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

Shanghai, the People's Republic of China, 25 May 2017

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