

[For immediate release]



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

Comtec Solar Announces FY2011 Annual Results

Results Highlights

- Achieved year-on-year shipment growth of approximately 26.7% to 222.1 MW
- Commenced massive production of “Super Mono Wafers” with an average conversion efficiency of approximately 23%
- Maintained net cash position of approximately RMB51.1 million and cash and bank balances of approximately RMB746.1 million
- Recorded adjusted net profit of approximately RMB114.0 million for the year by excluding non-cash write-down of inventory of approximately RMB66.0 million, impairment losses recognised in respect of property, plant and equipment of approximately RMB89.1 million, impairment losses recognized in respect of advance to suppliers of approximately RMB7.1 million, provision for onerous contracts of approximately RMB39.1 million, non-cash accounting charges for the issue of convertible bonds of approximately RMB7.6 million, effective interest expense on the convertible bonds of approximately RMB23.5 million and the gain on fair value change of warrants of approximately RMB72.1 million

(Hong Kong, PRC and Singapore, 1 April 2012) — **Comtec Solar Systems Group Limited** (HKSE: 712, “Comtec Solar” or “the Company”), a global leader in manufacturing of high quality monocrystalline solar wafers, is pleased to announce its annual results for the year ended 31 December 2011.

During the year, the growth in worldwide capacity and channel inventories resulted in significantly lower selling prices across the value chain. It resulted in a challenging operating environment and adversely affected the operating results of every solar company. Despite the market challenges, the Company still achieved year-on-year shipment growth of our quality wafer products, commenced the massive production of our premium “Super Mono Wafers” and maintained a healthy financial position.

The Company recorded revenue of approximately RMB1,016.7 million for the year (2010: RMB1,021.4 million) and achieved gross profit of approximately RMB92.5 million (2010: RMB330.6 million), reflecting a gross profit margin of 9.1% (2010: 32.4%). Net loss for the year was RMB46.3 million (2010 Net profit: RMB222.9 million), translating into basic loss per Share of RMB4.1 cents (2010 basic earnings per Share: RMB21.0cents).

Excluding the non-cash write-down of inventory of approximately RMB66.0 million, impairment losses on property, plant and equipment of approximately RMB89.1 million, impairment losses on advances to suppliers of approximately RMB7.1 million, provision for onerous contracts of approximately RMB39.1 million, non-cash accounting charges for the issue of convertible bonds of approximately RMB7.6 million, effective interest expense on convertible bonds of approximately RMB23.5 million and the gain on fair value change of warrants of approximately RMB72.1 million, the Company recorded an adjusted

net profit for the year of approximately RMB114.0 million, translating into adjusted earnings per Share of RMB10.1 cents.

“2011 was a challenging year for the PV industry as a whole. In view of the supply-demand imbalance throughout the value chain, coupled with uncertainties among European economies, we are facing a tough operating environment. However, by staying committed to offering value-added solar products with premium quality to our customers, we achieved notable year-on-year shipment growth. Meanwhile, we have commenced massive production of our premium “Super Mono Wafers” during the year, backed by strong support from our long-term major customers,” said **Mr John Zhang, Chairman of Comtec Solar**.

In response to the competitive market landscape within the solar industry, the Company proactively reduced its debt levels and maintained a healthy net cash balance of approximately RMB51.1 million (2010: RMB123.7 million), while cash and bank balances increased to RMB746.1 million (2010: RMB293.7 million).

The Company believes the long term prospect of the industry is still promising. During the year, the cost to generate solar energy reduced substantially due to the decrease of polysilicon prices, continuous upgrade of production techniques, as well as enhancement of operational efficiency in the industry. It had accelerated the industry’s progress towards grid-parity with the installation of PV systems becoming increasingly affordable. The cost of solar power is now below user-paid rates for an increasing number of markets and user categories. Regardless of the reduction of FiTs (Feed-in Tariffs) by various governments, the continuous cost reductions will fuel robust growth of demand for solar products. The Company believes this would sustain the strong prospects of the cost leaders among the value chain and benefit the overall solar industry.

“We believe we are well-positioned with our strong financial position, competitive cost structure and advanced technical capabilities, and these are crucial to maintain our leading position in the industry and to maximize our benefits from the industry consolidation ahead in 2012,” **Mr Zhang** concluded.

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About Comtec Solar Systems Group Ltd (HKSE: 712)

Founded in 1999 and tapped into the solar wafer industry in 2004, Comtec Solar is a leading high quality monocrystalline solar ingot and wafer manufacturer in the PRC and one of the pioneer manufacturers in the PRC able to massively produce Super Mono Wafers which achieve an average conversion rate of approximately 23%. With its production bases in Shanghai and Jiangsu, Comtec Solar focuses on the design, development, manufacture and marketing of high-quality solar wafers and has accumulated strong industry experience in the manufacture of semiconductor ingots and wafers. Currently, the Company supplies most of its solar products to the leading solar cell/module manufacturers. Listed on the Main Board of the HKSE on 30 October 2009, the Company is committed to enhancing product quality as well as developing new and innovative solar wafers. As it is well positioned to benefit from the growth of the solar PV industry, the Company aims to broaden its customer base internationally. For more information please visit www.comtecsolar.com.

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