

**COMTEC SOLAR SYSTEMS GROUP LTD:
HAS COMTEC BECOME A VICTIM
OF THE SUNTECH POWER INSOLVENCY ?**

Now that official confirmation has been received that Suntech Power Holdings Company Ltd (), a producer of solar products for residential, commercial, industrial, and utility applications, being a company, domiciled in the People's Republic of China (PRC) whose American Depository Receipts (ADRs) are traded on The New York Stock Exchange, has been unable to pay its debts as they have fallen due, the question must be asked:

Which other independent, non-aligned, third-party corporate entity(ies) will suffer, very materially, should Suntech sink under the weight of its many debts – as it looks more than probable?

Yesterday, Hongkong time, Suntech Power made the following announcement:

'Suntech Power Holdings Co., Ltd. (NYSE: STP), or the "Company", today announced that on March 18, 2013, a group of eight Chinese banks filed a petition for insolvency and restructuring of its Chinese subsidiary Wuxi Suntech Power Holdings Co., Ltd. ("Wuxi Suntech") () in the Wuxi Municipal Intermediate People's Court in Jiangsu Province, China. Wuxi Suntech today notified the Court that it will not file an objection against the petition. The Company expects that the Court will decide whether or not to accept the petition in the next few days.

'Wuxi Suntech is the Company's principal operating subsidiary in China engaged in the manufacture of photovoltaic (PV) cells and PV modules. The Company has additional cell and module production facilities at wholly owned or partially owned subsidiaries in Wuxi, Shanghai and Luoyang and, in the event insolvency and restructuring of Wuxi Suntech is approved by the Court, the Company intends to continue production of solar products to meet customer orders. In addition, management will work with any Court-appointed administrators to ensure all of Suntech's product warranty obligations are met.

"While we evaluate restructuring initiatives and strategic alternatives, we are committed to continuing to provide high-quality solar products to our global customer base," said David King, Suntech's CEO. "During this period, we will continue to work closely with all of our stakeholders and take the necessary steps to put Suntech back on track for growth."

'The insolvency and restructuring procedure is designed to facilitate an orderly restructuring plan for both Wuxi Suntech and its creditors. In such proceedings, the Chinese court would typically appoint administrators to Wuxi Suntech to administer the restructuring, including negotiations with existing bank lenders and other creditors. Wuxi Suntech will apply to the Court to continue operations under the supervision of the administrators.

'Suntech Power Holdings Co., Ltd., the ultimate parent company of Wuxi Suntech, has not

commenced insolvency proceedings, nor have any of the Company's other principal operating subsidiaries. The Company is not aware of any similar proceedings regarding any of its other entities.'

According to usually reliable sources, some of the eight PRC banks that are owed material amounts of money by corporate entities of the Suntech Group of Companies include:

- Industrial and Commercial Bank of China Ltd ();
- Agricultural Bank of China Ltd (); and,
- The Bank of China Ltd () .

The above-mentioned banks are thought to be owed at least 7.10 billion renminbi (about \$HK8.80 billion).

Suntech Power is known to have debts in excess of \$US2 billion (about \$HK15.60 billion), according to this medium's sources.

Mount Kellett Capital Management LP, Driehaus Capital Management LLC and Pioneer Investment Management Incorporated are the largest bondholders, with about 23 percent of the debt, according to December public filings of Suntech Power.

The largest holders of Suntech's ADRs are known to be Renaissance Technologies Corporation, Invesco Ltd and Shah Capital Management.

TARGET () would like to hazard a guess that Management of Comtec Solar Systems Group Ltd () (Code: 712, Main Board, The Stock Exchange of Hongkong Ltd) might well be ... [CLICK TO ORDER FULL ARTICLE](#)

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