

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA SMARTER ENERGY GROUP HOLDINGS LIMITED

中國智慧能源集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1004)

INSIDE INFORMATION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary review on the unaudited management accounts of the relevant subsidiaries of the Group and information currently available to the Board, the Group expects to report a decrease in unrealised gain on investments in listed financial assets at fair value through profit and loss for the six months ended 30 September 2015 compared to the six months ended 30 September 2014. The Company also expects an impairment in the valuation of the Group's Vanadium mine and a decrease in fair value on derivative components embedded in the convertible bonds issued by the Company on 30 July 2015 and increase in finance costs attributable to such convertible bonds.

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

This announcement is made by China Smarter Energy Group Holdings Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that, based on the preliminary review on the unaudited management accounts of the relevant subsidiaries of the Group and information currently available to the Board, the unrealised gain on investments in listed financial assets at fair value through profit and loss is approximately HK\$28 million for the six months ended 30 September 2015, compared to the unrealised gain on investments in listed financial assets at fair value through profit and loss is approximately HK\$157 million for the corresponding period in 2014.

* *For identification purpose only*

In light of further decrease in the market price of Vanadium in 2015, the Company expects an impairment in the valuation of the Group's Vanadium mine. The amount of impairment will be based on an independent valuation to be carried out after 30 September 2015.

The Company also expects a decrease in fair value on derivative components embedded in the convertible bonds issued by the Company on 30 July 2015 (which was the subject matter of the Company's announcement dated 14 July 2015) and an increase in finance costs attributable to such convertible bonds. The fair value and the finance costs will be based on an independent valuation to be carried out after 30 September 2015.

The Company is in the process of finalizing the consolidated interim results of the Group for the six months ended 30 September 2015. The information contained in this announcement is based on a preliminary review by the management of the Company of information currently available to the Board, and is not based on any figures or information which have been audited or reviewed by the auditors of the Company. Shareholders and potential investors are advised to read carefully the announcement of the interim results of the Group for the six months ended 30 September 2015 which is expected to be released in November 2015.

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

By order of the Board
China Smarter Energy Group Holdings Limited
Mr. Wang Hao
Chairman

Hong Kong, 5 October 2015

As at the date of this announcement, Mr. Wang Hao, Mr. Lai Leong, Mr. Lam Kwan Sing, Mr. Wong Nga Leung, Mr. Hon Ming Sang and Mr. Zhou Chengrong are the executive directors of the Company; and Mr. Fok Ho Yin, Thomas, Mr. Tsui Ching Hung and Ms. Cheung Oi Man, Amelia are the independent non-executive directors of the Company.