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.



LONGITECH SMART ENERGY HOLDING LIMITED

隆基泰和智慧能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1281)

VOLUNTARY ANNOUNCEMENT LATEST DEVELOPMENT OF SMART ENERGY BUSINESS

This is a voluntary announcement made by LongiTech Smart Energy Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") to inform the shareholders of the Company, potential investors and the public about the latest development of the smart energy business of the Company.

As stated in the 2016 interim report of the Company and the voluntary announcements of the Company dated 25 July 2016 and 30 September 2016 respectively, the Group is proactively building the LongiTech Smart Energy Cloud Platform (the "**Cloud Platform**"), a comprehensive operation platform of smart energy solutions. Through integrating energy systems and internet technology, the Cloud Platform achieves automation and datamation of the entire energy usage process covering energy data collection, energy utilization monitoring, energy consumption analysis, energy big data, the Cloud Platform is able to provide energy consumers with an all-round smart energy service, including energy monitoring, power trade, energy conservation improvement and distributed energy.

LATEST TECHNOLOGICAL DEVELOPMENT OF THE CLOUD PLATFORM

The Company has recently launched the Smart Energy Cloud Platform Version 2017 and established an energy big data center, jointly developed with IBM (China) Company Limited. Such big data center for the Cloud Platform is capable of accessing the energy data of 100,000 corporate customers in real time. Meanwhile, based upon multi-application modules, the Cloud Platform has the ability of multi-source data cognition, insight and prediction. As a result, it can provide customers with accurate energy consumption analysis and prediction, and further explore customers' demand for energy.

The Company is continuously developing advanced application modules, including intelligent diagnosis of power transmission and distribution and energy application services based on blockchain, so as to consistently provide quality energy management services for the contracted customers of the Company.

NUMBER OF ENERGY CONSUMPTION CUSTOMERS WHO HAVE ENTERED INTO CONTRACTS AND ACCESSED THE CLOUD PLATFORM

As at the date of this announcement, 754 energy consumption corporate customers had entered into contracts with Hebei Fakai Scientific Power Consumption Services Co., Ltd. (河北省發凱科學用電服務有限責任公司), a wholly-owned subsidiary of the Company, and were entitled to such services, of which 146 corporate customers whose energy data can be accessed via the Cloud Platform of the Company in real time. All contracted customers are large, medium and small-sized commercial enterprises in Hebei.

REGISTRATION OF COMPANY FOR SELLING ELECTRICITY CAME INTO EFFECT

On 6 February 2017, Hebei Fakai Energy Development Co., Ltd. (河北省發凱能源開發有限責任公司) ("**Fakai Energy**"), a wholly-owned subsidiary of the Company, completed the registration publicity procedure in Beijing Electricity Trading Center (北京電力交易中心). As there was no objection during the publicity period, the Fakai Energy has obtained the qualification for selling electricity from the expiry date of the publicity period pursuant to the relevant requirements under the Management Measures for the Entry and Exit of Companies Selling Electricity promulgated by the National Development and Reform Commission and National Energy Administration of the People's Republic of China.

The directors of the Company believe that, with further optimization and enhancement of the technology of the Cloud Platform, the number of corporate customers entering into contracts and accessing to such services will continue to increase, together with the qualification for selling electricity obtained by the Fakai Energy, laying a sound foundation for the development of the smart energy related business of the Company.

As the development of the smart energy related business of the Company requires further implementation, the shareholders of the Company and potential investors are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board LongiTech Smart Energy Holding Limited Wei Shaojun Chairman

Hebei, 20 February 2017

As at the date of this announcement, the executive Directors of the Company are Mr. Wei Shaojun, Mr. Wei Qiang, Mr. Li Haichao and Ms. Zhen Xiaojing and the independent non-executive Directors of the Company are Mr. Han Qinchun, Mr. Wong Yik Chung John and Mr. Han Xiaoping.