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# **LAUNCH**

**深圳市元征科技股份有限公司**

**LAUNCH TECH COMPANY LIMITED\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2488)**

## **VOLUNTARY ANNOUNCEMENT**

### **BUSINESS PROGRESS – THE NEW LAYOUT PLAN OF LAUNCH IN 2018**

The board of directors (the “Board”) of Launch Tech Company Limited (the “Company”) wishes to notify Shareholders of its business progress.

#### **INTRODUCTION**

The Company has always maintained a leading position in the automotive aftermarket industry. While maintaining its traditional advantages, the Company actively embraces cutting-edge technologies. In this booming information age, cooperation for mutual benefit are our common aspirations. In 2018, the Group upholds a new vision of “Reshaping the relation between industry and production” and is committed to building a new ecosystem of joint participation, fairness and equality, benefit sharing, traceable history and non-centralized automotive industry application under the blessing of blockchain technology.

#### **BLOCKCHAIN TECHNOLOGY**

The Company announced the official launch of the “Launch Car Chain Platform” yesterday. Based on this platform, the Group will gradually implement exploratory demonstration applications for nine major application scenarios under the blockchain structure such as vehicle inspection, automobile insurance and second-hand cars. In the future, under the demonstrative guidance of Launch Tech, it will attract developers to design and implement more application scenarios, and will eventually develop into a huge ecosystem using blockchain technology as the carrier and the vehicle data value network as its base.

To ensure more new applications will come on stream and assist in the implementation of the ecosystem as quickly as possible, the Company has subversively created an “open source community” to “return data ownership to vehicle owners”. This brand new concept is that in the open source community, the existing closed state of data scattering in various types of automotive equipment and terminals will come to an end and become completely open. Through blockchain technology, data is stored in the cloud and open to developers, and everyone in the community can use the data to create more new

applications. The original data provider will receive corresponding benefit returns after the data is used. The proposition and implementation of this open initiative will undoubtedly require much courage and determination. It is believed that it will have a revolutionary impact on the automotive industry as well as the entire consumption pattern.

Blockchain technology is now ready for implementation. The Company has engaged dozens of top technological experts to conduct special research on blockchain. So far, the Company has applied for more than 100 blockchain patents, and a total of 11 patents have been made public.

## **LATEST COOPERATION PROJECT**

The latest cooperation project being launched is the “blockchain + automobile parts supply chain information platform system”. This platform system will directly target the weaknesses that are commonly found in the automotive supply chain at present, such as lack of transparency, difficulty in coordination and high costs. With this system, suppliers, manufacturers, distributors and consumers in the automotive industry will be connected to reduce manual operations, simplify the upstream and downstream trading processes in the supply chain and ensure the accuracy and reliability of transaction information in each segment. Under the operation of this platform, it is expected that a full-process traceable auto parts supply chain credibility support mechanism can be established, which can bring benefits to all parties concerned.

## **PROSPECTS**

The Company has great determination and confidence in the application of blockchain. We hope that the industry will work together to reshape the logic of the industry and establish a new ecosystem for multi-win outcomes in the industry. The Company will review the situation and actively seize opportunity to negotiate for cooperations with different teams in various industries. If there is any progress of such cooperation, announcement will be made to investors at the appropriate time.

Shenzhen, the PRC, 19 April 2018

By Order of the Board  
**Launch Tech Company Limited**  
**Liu Xin**  
*Chairman*

*As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Xin (Chairman), Mr. Liu Jun, Ms. Huang Zhao Huan and Mr. Jiang Shiwen as executive Directors, Ms. Liu Yong as non-executive Director, and Ms. Zhang Yan, Mr. Liu Yuan and Mr. Ning Bo as independent non-executive Directors.*

\* *for identification only*