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**KUANGCHI SCIENCE LIMITED**

**光啟科學有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 439)

**VOLUNTARY ANNOUNCEMENT  
BUSINESS UPDATE**

**KuangChi Science's city-level Cloud space information platform  
put into its first commercial operation and  
completed its first global commercial flight**

This is a voluntary announcement made by KuangChi Science Limited (the "Company", together with its subsidiaries, the "Group").

The board of directors (the "Board") of the Company is pleased to announce that, on 29 December 2015, the Company won the public purchase tender regarding a project on city-level space information platform system, and signed a commercial contract with a total value of HK\$180,000,000. On the same day, the city-level Cloud space information platform was put into its first commercial operation and completed its first global commercial flight. The video clip of this first global commercial flight of the Cloud is available on the website of the Company. Below is the link:

<http://www.kuangchiscience.com/index.php/detail/news/987>

The following photos capture the scene of the first global commercial flight:



The completion of this first commercial flight marked a major milestone in the development of the Cloud following its test launch and commercial testing conducted at KuangChi Apollo Base in Longgang District of Shenzhen in February 2015. As a main product of KuangChi Science’s intelligent urban space business in the community of global innovation, the Cloud is planned to set up a demonstration project on information platform, with aims to implementing the strategy of innovation-driven development and initiative of “Internet +” action plan. Thereupon, the Cloud under such project will have features in optical remote sensing and wide-area internet-of-things networking. Optical remote sensing provides high resolution visual images of visible lights and infra-red rays. It is able to run 24/7 and can be applied to sectors such as urban road traffic monitoring, inspection of unauthorised building works and wildfire detection. Wide-area internet-of-things networking covers areas with a diameter of 60 kilometres and can be applied to the big-data collection and processing of urban intelligent information. The Cloud has established an unprecedented platform for collection, distribution and processing of city-level three dimensional in-depth information, which can be widely used in sectors such as urban planning management, ecological environment monitoring, meteorological forecasts and monitoring, disaster forecasts and assessment, marine life monitoring, wireless emergency communication, regional security and surveillance, and refined resource discovery.

The emergency version of the Cloud may also be equipped with aerospace multifunctional high resolution ground monitoring facilities. It has been used for the rescue on scene of a landslide incident occurred in Guangming New District of Shenzhen. The aerospace multifunctional high resolution ground monitoring facilities for rescue can transform visible lights and infra-red rays into high resolution visual images. It is capable of guarding the entire disaster area for a long period of time without any limitation of lighting condition. Further, its performance of heat detection facilities to find survivors in disaster area in a timely manner.

The following photos capture the scene in rescue by the emergency version of the Cloud:



The Board is of the view that this first global commercial flight and first commercial contract of the Cloud will push forward the development of KuangChi Science's in-depth space business. Meanwhile, this will also propel the commercialisation and industrialisation of KuangChi Science's space projects, which will in turn, generate an advantage of continuous resources convergence and boost the growth of emerging industries, namely civil space flying apparatus, internet of things, big-data and innovative intelligent urban infrastructure. KuangChi Science will continue to promote the Cloud in domestic and international cities and build up a big-data network that is based on space information platform.

Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By order of the Board  
**KuangChi Science Limited**  
**Dr. Liu Ruopeng**  
*Chairman and Executive Director*

Hong Kong, 29 December, 2015

*As at the date of this announcement, the executive directors of the Company are, namely, Dr. Liu Ruopeng, Dr. Zhang Yangyang, Dr. Luan Lin and Mr. Ko Chun Shun, Johnson; the independent non-executive directors of the Company are, namely, Dr. Liu Jun, Dr. Wong Kai Kit and Ms. Zong Nan.*