





Item 1.01 Entry into a Material Definitive Agreement

On July 31, 2016, SmartHeat Inc., a Nevada corporation (the “Company”), entered into the Fifth Amendment (the “Amendment”) to the Credit and Security Agreement dated July 27, 2012, as first amended on December 21, 2012 and subsequently amended on August 23, 2013, July 14, 2014, and December 28, 2015 (the “Credit Agreement”), between the Company and Northtech Holdings Inc., a British Virgin Islands business corporation (“Northtech”). Northtech is owned by certain members of the Company’s former management, Jun Wang, Xudong Wang, and Wen Sha. Huajun Ai, the Company’s Corporate Secretary is also a part owner of Northtech.

The Amendment increased the maximum credit line of the Credit Agreement to \$3,500,000 and extended the maturity dated to October 31, 2016. The Company agreed to pay to Northtech an amendment fee of \$80,000 payable in 400,000 restricted shares of the Company’s Common Stock valued at \$0.20 per share. The Amendment is required to receive the approval of a majority of shareholders of the Company in a vote to be held at the next meeting of the stockholders which is scheduled to be held on September 10, 2016. In the event approval is not received, it will be considered an event of default under the Credit Agreement.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the Amendment, a copy of which is attached as Exhibit 10.20 hereto and is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities

The text set forth above under Item 1.01 is incorporated into this Item by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Description

10.20 Amendment No. 5 to the Credit and Security Agreement between SmartHeat Inc. and Northtech Holdings Inc., dated July 31, 2016, filed on the Company’s Form 8-K on August 2, 2016.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SMARTHEAT INC.  
(Registrant)

Date: January 13, 2017 By: /s/ Kenneth Scipta  
Name: Mr. Kenneth Scipta  
Title: President