

SMARTHEAT INC.
Form 8-K
June 20, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 14, 2018

SMARTHEAT INC.

(Exact name of registrant as specified in its charter)

Nevada

001-34246

98-0514768

(State or other Jurisdiction of Incorporation) (Commission File Number) (IRS Employer Identification No.)

A-1, 10, Street 7

Shenyang Economic and

Technological Development Zone

110141

Shenyang, China

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (86) 24-2519-7699

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement

On June 14, 2018, SmartHeat Inc., a Nevada corporation (the “Company”), entered into the Sixth Amendment (the “Amendment”) to the Credit and Security Agreement dated July 27, 2012, as amended (the “Credit Agreement”), between the Company and Northtech Holdings Inc., a British Virgin Islands business corporation (“Northtech”).

In October of 2017, The Company entered into negotiations with Northtech in order to restructure the terms of the Credit Agreement. On October 31, 2017 the Credit Line was not extended, and the parties continued negotiations. The parties have agreed that Northtech will convert all outstanding interest and principal due under the Credit Agreement into the Company's common stock at a conversion price of \$.065 per share, which represents a premium of \$0649 to the thirty-day average closing price of the Company's common stock of \$.0001 per share. In addition, the parties agreed to reduce the maximum credit line under the Credit Agreement to \$1,000,000 and extended the maturity date to December 31, 2018. Further conversion of any outstanding principal and interest under the Credit Agreement will be based on conversion price subject to a minimum of \$.065 per share and a maximum of \$.50 per share.

As a result of the entering into the Amendment, the Company will issue to Northtech 71,283,000 restricted shares of its common stock which will result in Northtech and Mr. Jimin Zhang, sole stockholder and director of Northtech, holding approximately 95% of all of the issued and outstanding common stock of the Company after giving effect to the transaction. Upon the issuance of the common stock to Northtech, the interest and principal due to Northtech will be reduced to zero, subject to additional disbursements thereunder.

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. 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 10.21 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

10.21 Amendment No. 6 to the Credit and Security Agreement between SmartHeat Inc. and Northtech Holdings Inc., dated June 14, 2018

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: June 20, 2018 By: /s/Kenneth Scipta
Name: Mr. Kenneth
Scipta
Title: President