

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.



USPACE Technology Group Limited

洲際航天科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1725)

PLACING OF BONDS

PLACING OF BONDS

On 4 November 2024 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which, the Placing Agent has agreed, on a best effort basis, to procure independent Placees to subscribe for the Bonds.

This announcement is made by the Company on a voluntary basis to provide update on the business of the Group to the Shareholders and potential investors of the Company.

THE PLACING AGREEMENT

On 4 November 2024 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed, on a best effort basis, to procure independent Placees to subscribe for the Bonds. The principal terms of the Placing Agreement are summarised below:

Date: 4 November 2024

Parties: The Company (as the issuer)

Geo Securities Limited (as the Placing Agent)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placing of Bonds

Pursuant to the Placing Agreement, the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as the placing agent for the purpose of arranging, on a best effort basis, the Placees to subscribe for the Bonds up to an aggregate principal amount of HK\$100,000,000 during the Placing Period at the issue price equal to 100% of the principal amount of the Bonds.

Placees

The Bonds will be placed to the Placees who shall be Professional Investors and Independent Third Parties.

Placing Period

The Placing Period shall last for 6 months, which commences from the date of the Placing Agreement and ends on 3 May 2025, or such other longer period as may be agreed by the Company and the Placing Agent in writing.

Placing Commission

The Company shall pay to the Placing Agent in respect of the Placing a placing commission at 10% of the aggregate issue price of the Bonds successfully placed by the Placing Agent in accordance with the Placing Agreement.

The placing commission was determined after arm's length negotiation between the Company and the Placing Agent by reference to the size of the Placing, the current and expected market conditions and the time allowed for the Placing Agent to procure the Placees for the Placing. The Directors are of the view that the placing commission payable for the Placing is fair and reasonable.

Conditions Precedent

The Placing Agreement is conditional upon, among other matters, the following conditions.

As initial conditions precedent, the Company shall deliver to the Placing Agent on or before the first issue of the Bonds:

- (i) certified copies of constitutional documents and internal authorization of the Company in relation to the issue of the Bonds;
- (ii) a certificate from the Company certifying the authorised persons to execute the Placing Agreement and Bonds Instrument, issue the Bonds and take any other actions in relation to the transaction contemplated under the Placing Agreement;
- (iii) the Placing Agreement duly executed by the Company and the Placing Agent;

- (iv) a confirmation from the Company of a number of Bonds Certificates duly executed by the Company and an authorization from the Company to the Placing Agent to insert the Placees' details; and
- (v) a draft of the announcement in connection with the issuance of the Bonds.

As continuing conditions precedent,

- (vi) the Company shall have performed all of its obligations under the Placing Agreement on or before the issue date of such Bonds, and the representations and warranties of the Company shall be accurate in all material respects on the issue date;
- (vii) there shall have been no Material Change since the date of the Placing Agreement;
- (viii) the Company shall have had the necessary internal approval to issue such Bonds and the Company shall have complied with the Placing Agreement, the Bonds Instrument and the Bonds Certificates and all relevant laws and directives and all consents and approvals of any court, governmental department or other regulatory body that are required for the Bonds to be issued and for the performance of their terms, shall have been obtained; and
- (ix) there shall have been delivered to the Placing Agent such opinions, documents, certificates and information relevant in the context of the issue of such Bonds as the Placing Agent may reasonably request.

Completion

Completion of the Placing may take place in tranches within the Placing Period.

PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds are summarised below:

Issuer:	the Company
Principal amount:	up to HK\$100,000,000
Issue price:	100% of the principal amount of the Bonds
Maturity date:	the first anniversary of the date of the issue of the relevant Bonds
Interest rate:	10% per annum, accrued daily on a 365-day basis and payable quarterly in arrears, from the date of issue of the relevant Bonds and up to the maturity date of the relevant Bonds (both days inclusive)

- Default interest:** if the Company fails to pay any amount payable by it under the Bonds when such Bonds become due and payable, interest shall accrue on the overdue amount from the second day commencing from the due date to the date of actual payment of the overdue amount (both days inclusive) at a simple interest rate of 18% per annum, calculated on the basis of the actual number of days elapsed in a year of 365 days
- Denomination:** in the denomination of HK\$500,000 or its integral multiples in aggregate principal amount of up to HK\$100,000,000
- Status:** the Bonds constitute direct, unconditional, unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable laws, at all times rank at least equally with all the Company's other present and future unsecured and unsubordinated obligations
- Transferability:** the Bonds may be transferable by the Bondholder(s) in integral multiples of HK\$500,000 and shall only be transferred to Professional Investors, but none of the Bonds may be transferred to a Connected Person of the Company save with the consent of the Company and in compliance with the Listing Rules
- Early redemption right:** neither the Company nor the Bondholder shall have the right to request for the early redemption of the Bonds, save and except that the Bondholder may, upon the occurrence of any one of the following events at any time before the maturity date, and by serving on the specified office of the Company a prior written notice, exercise his/her/its right to demand the Company to early redeem the Bonds issued to him/her/it and duly registered by the Company at 100%:
1. the total debt to total asset (including tangible assets) ratio of the Company as disclosed in any of its interim report or annual report published after completion of the issue of the Bonds and before the maturity date, exceeds 85%;
 2. the Company is engaged in any business activities or operations substantially different from or unrelated to the Company's present business activities or operations;

3. the Company announces its plan (if any) to privatize, delist, and/or there is a change of the Company's primary listing status to another stock exchange outside Hong Kong;
4. the aggregate amount of cash dividends distributed or declared to be distributed as disclosed in any of its interim report or annual report published after the completion of the issue of the Bonds and on or before the maturity date, exceeds the aggregate principal amount of the Bonds from issue date to the maturity date;
5. the trading in the listed shares of the Company are suspended by the Stock Exchange for a period of 30 consecutive trading days (other than any suspension of trading pending the release of any announcement as required under Chapter 14 or Chapter 14A of the Listing Rules) or the listing of the shares of the Company on the Stock Exchange are being revoked or withdrawn;
6. the occurrence of one or more of the following events: (i) the merger, take-over, amalgamation, or consolidation of the Company with, by or into another person who is not one of the Permitted Holders or the merger or amalgamation of another person who is not one of the Permitted Holders with or into the Company, or the sale of all or substantially all the assets of the Company to another person who is not one of the Permitted Holders; (ii) the Permitted Holders cease to be the single largest holder of the voting shares of the Company; or (iii) the adoption of a resolution relating to the liquidation or dissolution of the Company;
7. there has been more than two-thirds of members of the Board resign, quit or otherwise terminate (constructive or otherwise) their employment contract or service agreement with any company in the Group; and
8. the occurrence of an event of default.

**Redemption at
Maturity:**

unless previously redeemed, the Company will redeem the respective Bonds at 100% of the outstanding principal amount of such Bonds together with accrued interests thereon on the maturity date

- Event of default:** if any of the events of default as described in the terms and conditions of the Bonds occurs, a Bondholder may give written notice to the Company that the Bonds are, and they shall immediately become, due and payable at their principal amount together with all interests at the interest rate accrued up to the date of the Company's receipt of such notice
- Listing:** no application will be made for the listing of the Bonds on the Stock Exchange or any other exchange

The terms of the Bonds were determined after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market conditions.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in (A) Aerospace Business; and (B) electronics manufacturing services business, including assembling and production of printed circuit boards assemblies and fully-assembled electronic products.

The Directors are of the view that the Placing will not result in any dilution effect on the shareholding of the existing Shareholders while providing a good opportunity to strengthen the Company's financial position. As such, the Directors are of the view that the terms of the Placing Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming the Bonds are placed in full, the maximum gross proceeds from the Placing will be up to HK\$100,000,000. The maximum net proceeds from the Placing (after deducting the placing commission and other related costs and expenses) are estimated to be approximately HK\$89,800,000. The Company intends to use the net proceeds from the issue of the Bonds as general working capital and general corporate purposes, including but not limited to the carrying out of the Aerospace Business, and for future possible investments of the Group.

Completion of the Placing of Bonds is subject to fulfillment of the conditions precedent under the Placing Agreement. Accordingly, the Placing of Bonds may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITION

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Aerospace Business”	(1) satellite manufacturing, (2) satellite component manufacturing, (3) precision electronics manufacturing, (4) satellite data applications, (5) satellite telemetry, tracking, and controlling, and (6) satellite launch
“Board”	the board of Directors
“Bondholder(s)”	the holder(s) of the Bonds
“Bonds”	the one-year 10% per annum fixed coupon unsecured unsubordinated and unlisted bonds to be issued in tranches by the Company in an aggregate principal amount of up to HK\$100,000,000 pursuant to the Placing Agreement
“Bonds Certificate(s)”	the certificate(s) of the Bonds evidencing the title of the Bondholder(s) to the Bonds
“Bonds Instrument”	the instrument to be executed by the Company by way of a deed poll constituting the Bonds together with the schedules (as from time to time altered in accordance with the instrument) and any other document executed in accordance with the instrument (as from time to time so altered) and expressed to be supplemental to the instrument
“Company”	USPACE Technology Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1725)
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and Connected Persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Material Change”	(i) any change, or any development involving a prospective change, in the condition (financial or otherwise) of the Company that, in the reasonable judgement of the Placing Agent, impairs or may impair materially the value of the Bonds; or (ii) any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in the reasonable judgement of the Placing Agent, be likely to prejudice materially the success of the issue, offering, sale or distribution of any of the relevant Bonds
“Permitted Holders”	Mr. Sun Fengquan and/or his affiliates
“Placee(s)”	any Professional Investor (as defined in Part 1 of Schedule 1 to the SFO) procured by the Placing Agent to subscribe for the Bonds pursuant to the Placing Agreement
“Placing”	the placing of the Bonds by the Placing Agent on a best effort basis pursuant to the terms of the Placing Agreement
“Placing Agent”	Geo Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activity under the SFO, acting as the placing agent of the Bonds under the Placing Agreement
“Placing Agreement”	the placing agreement dated 4 November 2024 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	the six-month period commencing from the date of the Placing Agreement and ending on 3 May 2025, or such other longer period as may be agreed between the Company and the Placing Agent in writing

“Professional Investor(s)”	as defined in Part 1 of Schedule 1 to the SFO
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
USPACE Technology Group Limited
Mohamed Ben Amor
Chairman and Executive Director

Hong Kong, 4 November 2024

As at the date of this announcement, the Board comprises H.E. Mohamed Ben Amor (Chairman), H.H. Shaikh Mohammed Maktoum Juma Al-Maktoum (Deputy Chairman), Dr. Fabio Favata and Mr. Ma Fujun as executive Directors; Mr. Alhamed Mnahi F Alanezi, Professor Christian Feichtinger and Mr. Nathan Earl Whigham as non-executive Directors; and Ms. Barbara Jane Ryan, Mr. Boris Tadić, Mr. Hung Ka Hai Clement, Mr. Juan de Dalmau-Mommertz and Mr. Marwan Jassim Sulaiman Jassim Alsarkal as independent non-executive Directors.