

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.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any shares in the Company.



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)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Financial adviser to the Company



INCUB Corporate Finance Limited

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 25 July 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 100,000,000 Subscription Shares, representing (i) approximately 19.84% of the entire issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.55% of the entire issued share capital of the Company as enlarged by the issue of the Subscription Shares, assuming there will be no other change in the issued share capital of the Company between the date of this announcement and the completion of the Subscription.

The Subscription Price of HK\$0.65 per Subscription Share represents (i) a discount of approximately 18.75% to the closing price of HK\$0.80 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 17.51% to the average of the closing prices per Share of HK\$0.788 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the Last Trading Day.

The Subscription Shares will be allotted and issued under the General Mandate. The allotment and issue of the Subscription Shares is not subject to separate Shareholders' approval.

The gross proceeds from the Subscription will be approximately HK\$65 million and the net proceeds will be approximately HK\$64.5 million (after deduction of the expenses of the Subscription), which represents the net issue price of approximately HK\$0.645 per Subscription Share. The Directors intend to apply the net proceeds from the Subscription for the general working capital of the Group, including but not limited to the ongoing administrative expenses of the Company, such as salaries, rent, utilities, and operating expenses of the Group's aerospace business.

Completion of the Subscription is subject to the fulfilment of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 25 July 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for the Subscription Shares at the Subscription Price, on the terms and subject to the conditions set out in the Subscription Agreement.

The Subscription Agreement

Set out below are the principal terms of the Subscription Agreement:

Date : 25 July 2025

Parties : Issuer : The Company
Subscriber : Subscriber

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscriber is an individual investor and an Independent Third Party.

Number of Subscription Shares

The Subscription Shares comprise of 100,000,000 new Shares. Assuming that there will be no other change in the issued share capital of the Company between the date of this announcement and the completion of the Subscription, the Subscription Shares represent (i) approximately 19.84% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.55% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares will be HK\$1,000,000.00.

Ranking of Subscription Shares

The Subscription Shares shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Subscription Price

The Subscription Price of HK\$0.65 per Subscription Share represents:

- (i) a discount of approximately 18.75% to the closing price of HK\$0.80 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 17.51% to the average of the closing prices per Share of HK\$0.788 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the Last Trading Day.

The Subscription Price shall be payable by the Subscriber in cash on or before the Completion Date.

The Subscription Price was determined with reference to the prevailing market price and trading volume of the Shares and was negotiated on an arm's length basis between the Company and the Subscriber. The Directors consider that the terms of the Subscription are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Subscription (including the Subscription Price) is in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription

The Subscription is conditional upon:

- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares, and such approval not having been withdrawn or revoked;
- (ii) all necessary consents and approvals to be obtained on the part of the Company in respect of the Subscription having been obtained;
- (iii) all necessary consents and approvals to be obtained on the part of the Subscriber in respect of the Subscription having been obtained; and
- (iv) the warranties provided by the Company remaining true and accurate and not misleading, and there is no matter or circumstance which is in breach of the warranties or the terms of the Subscription Agreement.

The Company shall use its best endeavours to procure the fulfilment of conditions (i), (ii) and (iv) above and the Subscriber shall use her best endeavours to procure the fulfilment of condition (iii) above. If the above conditions are not satisfied and/or waived (other than conditions (i), (ii) and (iii) above, which cannot be waived) on or before the Long Stop Date, the Subscription Agreement will be terminated and ceased to be effective, and neither parties shall have obligations and liabilities against the other thereafter, save for any antecedent breach of the Subscription Agreement.

Completion of the Subscription

Completion of the Subscription shall take place on a date falling on the fifth (5th) Business Day after the date of the fulfilment (or waiver) of the conditions as set out in paragraph headed “Conditions of the Subscription” above (or such later date as may be agreed between the Company and the Subscriber in writing).

Application for listing

The Company will make an application to the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

General Mandate

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM, subject to the limit up to 20% of the total number of issued Shares as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 100,814,800 new Shares. Up to the date of this announcement, no new Shares have been issued under the General Mandate. Accordingly, the allotment and issue of the Subscription Shares is not subject to separate Shareholders' approval.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purposes only, assuming that there is no other change in the issued share capital of the Company from the date of this announcement up to the completion of the Subscription, the shareholding structure of the Company (i) as at the date of this announcement and (ii) upon completion of the Subscription are set out below:

Name of Shareholder	As at the date of this announcement		Immediately upon completion of the Subscription	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Substantial Shareholders				
Hong Kong Aerospace Technology Holdings Limited ("HKATH (BVI)") (Note)	78,343,553	15.54%	78,343,553	12.97%
Vision International Group Limited ("Vision") (Note)	20,586,000	4.08%	20,586,000	3.41%
Public Shareholders				
Subscriber	—	—	100,000,000	16.55%
Other Shareholders	<u>405,144,447</u>	<u>80.38%</u>	<u>405,144,447</u>	<u>67.07%</u>
Total	<u>504,074,000</u>	<u>100.00</u>	<u>604,074,000</u>	<u>100.00</u>

Note:

Vision was directly interested in 20,586,000 Shares and HKATH (BVI) was directly interested in 78,343,553 Shares. The entire issued share capital of HKATH (BVI) is owned by Vision and the entire issued share capital of Vision is in turn owned by Mr. Sun Fengquan ("Mr. Sun"), the Chief Executive Officer of the Company. Therefore, Vision is deemed or taken to be interested in the Shares held by HKATH (BVI) under the SFO and Mr. Sun is deemed or taken to be interested in the Shares held by both Vision and HKATH (BVI) under the SFO.

EQUITY FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST 12 MONTHS

The Company has conducted the following equity fund raising activity in the 12-month period prior to the date of this announcement.

Date of relevant announcements	Fund raising activity	Intended use of proceeds	Approximate net proceeds	Actual use of proceeds as at the date of this announcement	Unutilised approximate net proceeds as at the date of this announcement
18 October 2024 and 8 November 2024	Subscription of new Shares under the general mandate	General working capital	HK\$87.14 million	Fully utilised as intended	nil

Save as disclosed above, the Company has not conducted any equity fund raising activities during the twelve months immediately preceding the date of this announcement.

INFORMATION OF THE GROUP

The Company is an investment holding company. As at the date of this announcement, the Group is principally engaged in (A) aerospace business, comprising (1) satellite manufacturing, (2) satellite component manufacturing, (3) precision electronics manufacturing, (4) satellite data applications, (5) satellite telemetry, tracking, and controlling (TT & C), and (6) satellite launch; and (B) electronics manufacturing services business, including assembling and production of printed circuit boards assemblies and fully-assembled electronic products.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

As disclosed in the Company's annual report for the year ended 31 December 2024, the Group recorded a net loss of RMB265,333,000 and a net cash outflow from operating activities from continuing operations of RMB42,705,000 for the year ended 31 December 2024. As at 31 December 2024, the Group's current liabilities exceeded its current assets by RMB161,690,000 while the Group's cash and cash equivalents amounted to RMB28,719,000.

The Directors believe that the Subscription represents an opportunity to raise further capital to replenish part of the Group's capital shortfall as the net proceeds from the previous subscription of new Shares completed on 8 November 2024 have been fully utilised. Accordingly, there is an imminent need to conduct the Subscription to fund the short to medium term working capital needs, and the Directors are of the view that the Subscription is in the interests of the Company and its Shareholders as a whole.

Use of Net Proceeds from Subscription

The gross proceeds from the Subscription will be approximately HK\$65 million and the net proceeds will be approximately HK\$64.5 million (after deduction of the expenses of the Subscription), which represents the net issue price of approximately HK\$0.645 per Subscription Share. The Directors intend to apply the net proceeds from the Subscription for the general working capital of the Group, including but not limited to the ongoing administrative expenses of the Company, such as salaries, rent, utilities, and operating expenses of the Group's aerospace business.

Completion of the Subscription is subject to the fulfilment of the conditions precedent in the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“AGM”	the annual general meeting of the Company held on 26 May 2025
“Board”	the board of Directors
“Business Day”	a day on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	USPACE Technology Group Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 1725)

“Completion Date”	a date falling on the fifth (5 th) Business Day after the date of fulfilment (or waiver) of the conditions set out in the Subscription Agreement (or such later date as may be agreed between the Company and the Subscriber in writing)
“Director(s)”	the director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Last Trading Day”	25 July 2025, being the date of the Subscription Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	15 August 2025, or such later date as may be agreed between the Company and the Subscriber in writing
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Ms. Ren Yue, being the subscriber subscribing for the Subscription Shares under the Subscription
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 25 July 2025 and entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	the subscription price of HK\$0.65 per Subscription Share
“Subscription Share(s)”	an aggregate of 100,000,000 new Shares to be allotted and issued pursuant to the Subscription Agreement
“%”	per cent.

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

Hong Kong, 25 July 2025

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. Juan de Dalmau-Mommertz, Ms. Kwok Pui Ha and Mr. Marwan Jassim Sulaiman Jassim Alsarkal as independent non-executive Directors.