

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.

Hong Kong Aerospace Technology Group Limited

香港航天科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1725)

VOLUNTARY ANNOUNCEMENT

BUSINESS UPDATE:

COOPERATION WITH HUAWEI CLOUD HONG KONG

THE COOPERATION

On 6 July 2021, the Company and Huawei Cloud Hong Kong entered into the Cooperation Agreement, pursuant to which the parties thereto agreed to act as partners and to jointly establish a remote sensing big data and AI service platform in the Guangdong-Hong Kong-Macau Greater Bay Area.

The purpose of this announcement is to keep the Shareholders and potential investors of the Company informed of the latest business development of the Group.

THE COOPERATION

On 6 July 2021, the Company and Huawei Cloud Hong Kong entered into the Cooperation Agreement, pursuant to which the parties thereto agreed to act as partners and to jointly establish a remote sensing big data and artificial intelligence (“AI”) service platform in the Guangdong-Hong Kong-Macau Greater Bay Area (the “**Golden Bauhinia Platform**”).

About Huawei Cloud Hong Kong

Huawei Cloud Hong Kong is a leading cloud service provider, which brings Huawei’s 30-plus years of expertise together in information and communication technology (ICT) infrastructure products and solutions. Huawei Cloud Hong Kong is committed to providing reliable, secure, and cost-effective cloud services to empower applications, harness the power of data, and help organisations of all sizes grow in today’s intelligent world. Huawei Cloud Hong Kong is also committed to bringing affordable, effective, and reliable cloud and AI services through technological innovation. In the beginning of 2021, Huawei Cloud Hong Kong had launched 220+ cloud services and 210+ solutions.

Subject matter under the Cooperation Agreement

The Cooperation Agreement shall be valid for a period of 10 years, unless a party thereto provides 30-day prior written notice to terminate the Cooperation Agreement.

Pursuant to the Cooperation Agreement, the parties thereto shall each establish a project management team, which consist of relevant personnel and experts responsible for the liaison, collaboration and execution of the Cooperation. The aforementioned project management teams of each of the parties would then form the joint collaboration team for the Cooperation.

Pursuant to the Cooperation Agreement, Huawei Cloud Hong Kong shall, among other matters, be responsible for solution provision and total system integration of the Golden Bauhinia Platform through Huawei Cloud Hong Kong, in particular, GeoGenius.

Pursuant to the Cooperation Agreement, the Company shall, among other matters, be responsible for:

- satellites launching under the “Golden Bauhinia Constellation” project to deploy and lay the foundation of the Golden Bauhinia Platform; and
- customer relationship management and business development of the Golden Bauhinia Platform.

REASONS FOR AND THE BENEFITS OF THE COOPERATION

The Company is an investment holding company. The Group is principally engaged in the business of (i) electronics manufacturing services which includes provision of design enhancement and verification, offering of technical advice and engineering solutions, raw materials selection and procurement, quality control, logistic and delivery and after-sale services to the customers in respect of the assembling and production of printed circuit board assemblies and fully-assembled electronic products; and (ii) Aerospace Business, which include (1) smart city with satellite big data applications and solutions; (2) satellite measurement and controlling; (3) satellite manufacturing; and (4) satellite launching.

As disclosed in the composite offer and response document of the Company dated 13 May 2021, it is intended that the Group will engage in the Aerospace Business and will also continue the existing principal businesses of the Group in parallel. On 7 June 2021, the Company announced that the Group will commence the Aerospace Business under the “Golden Bauhinia Constellation” project which include (1) smart city with satellite big data applications and solutions; (2) satellite measurement and controlling; (3) satellite manufacturing; and (4) satellite launching.

In April 2021, the Group successfully launched the initial two satellites under the “Golden Bauhinia Constellation” project. The Group will use satellite data received under the “Golden Bauhinia Constellation” and give priority to the Guangdong-Hong Kong-Macau Greater Bay Area. Such aerospace data will facilitate cities in Greater Bay Area to achieve fine management and ecological environment construction of the full-cycle monitoring in the fields of agricultural monitoring, disaster prevention and mitigation, comprehensive urban governance, watershed control and so on.

By virtue of the Cooperation, the Company can introduce Huawei Cloud Hong Kong as a partner of the Company so that the Group and Huawei Cloud Hong Kong could closely cooperate with each other for the Group’s Aerospace Business projects. The Directors consider that a partnership with Huawei Cloud Hong Kong could be established through the Cooperation, and provide synergies through integration of skills, knowledge and expertise and expansion of client base. The Company will have the technological support required for the operation of the Golden Bauhinia Platform under the “Golden Bauhinia Constellation” project, in order to provide satellite data reception and application services, and remote sensing big data and artificial intelligence service, to further develop the Group’s Aerospace Business. Furthermore, the Directors also believe that the branding and the scale of Huawei Cloud Hong Kong may help enhance the Group’s corporate profile and recognition in the provision of big data and artificial intelligence services.

As such, the Directors consider that the terms and conditions of the Cooperation Agreement are fair and reasonable, and the Cooperation is in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

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

“Aerospace Business”	being (1) smart city with satellite big data applications and solutions; (2) satellite measurement and controlling; (3) satellite manufacturing; and (4) satellite launching
“Board”	the board of the Directors
“Company”	Hong Kong Aerospace Technology Group Limited (香港航天科技集團有限公司), 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)

“Cooperation”	the cooperation between the Company and Huawei Cloud Hong Kong to act as partners and to jointly establish a remote sensing big data and artificial intelligence (AI) service platform in the Guangdong-Hong Kong-Macau Greater Bay Area
“Cooperation Agreement”	the cooperation agreement dated 6 July 2021 and entered into between the Company and Huawei Cloud Hong Kong, in relation to the Cooperation
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By order of the Board of
Hong Kong Aerospace Technology Group Limited
Sun Fengquan
Co-Chairman and Chief Executive Officer

Hong Kong, 6 July 2021

As at the date of this announcement, the Board comprises Mr. Sun Fengquan (Co-Chairman and Chief Executive Officer), Mr. Ma Fujun, Mr. Liao Pin-tsung, Ms. Chen Xiaoyuan and Mr. Cheng Bin as executive Directors; Dr. Lam Lee G. (Co-Chairman) as non-executive Director; and Mr. Leung Kwong Ho, Mr. Wu Chi-luen, Mr. Chan Chung Kik, Lewis and Mr. Chow Kit Ting as independent non-executive Directors.