



Announcement Summary

Entity name

HSC TECHNOLOGY GROUP LTD

Announcement Type

New announcement

Date of this announcement

9/6/2021

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
HSCAG	PERFORMANCE RIGHTS	16,000,000

Proposed +issue date

21/6/2021

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

HSC TECHNOLOGY GROUP LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

111823762

1.3 ASX issuer code

HSC

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

9/6/2021

1.6 The Proposed issue is:☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	20/5/2021	<input checked="" type="checkbox"/> Actual	Yes

Comments

Shareholder approval for the Board to issue of 6,000,000 Performance Rights to Mr Leylan Neep a non-executive director of the Company was obtained at the Company's last AGM held 20 May 2021

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

HSCAG : PERFORMANCE RIGHTS

Number of +securities proposed to be issued

16,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

6,000,000 Perf Rights issued to Leylan Neep as remuneration for service on terms:

(a) 3,000,000 of the Performance Rights will vest and become exercisable into Shares upon the 20-day VWAP of Shares being at least \$0.03 per Share with the second 3,000,000 becoming exercisable to Shares upon a 20 day VWAP of \$0.04 on or before 15 June 2022; (b) Mr Neep must remain a director at the date of vesting.

10,000,000 Perf Rights to be issued to the members of the Advisory Board, Eugene Lim and Martin Robinson with each to receive 5,000,000. These are subject to the following vesting criteria: (a) the first tranche of 2,500,000 Perf Rights each, shall vest and become exercisable into Shares upon their completing 9 months of continuous service; (b) the second tranche of 2,500,000 Perf Rights each shall vest and become exercisable into Shares upon their completing 18 months of continuous service; and (c) Each must remain a member of the Advisory Board as at the date of vesting.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Part 7C - Timetable

7C.1 Proposed +issue date

21/6/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ No

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No



Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

6,000,000 Perf Rights as part of the remuneration package for Mr Leylan Neep as detailed in the Notice of AGM (ASX:HSC 19 April 21)
10,000,000 Perf rights being the method of remuneration for the 2 members of the Company's Advisory Board.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue