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DISCLOSEABLE TRANSACTION SUBSCRIPTION OF FUND

The Board of the Company is pleased to announce that on 18 March 2020, the Company subscribed for the Nexus Emerging Opportunities Fund SPC (“Nexus”) - Nexus Emerging Opportunities Fund ROM Segregated Portfolio at a consideration of HK\$220 million, equivalent to approximately US\$28.20 million at a subscription price of US\$1,000 per S Share for the Fund (the “Subscription”), payable by cash. The Group will fund the Subscription by internal resources of the Group.

PRINCIPAL TERMS OF THE FUND AND THE SUBSCRIPTION

Details of the Subscription are as follows:

Date of Subscription	: 18 March 2020
Subscriber	: Skytop Technology Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
Subscription Amount	: HK\$220 million, equivalent to approximately US\$28.20 million
Subscription Price	: US\$1,000 per S Share

The principal terms of the Fund under the Private Placement Memorandum in relation to the Subscription are as follows:

Fund	: Nexus Emerging Opportunities Fund ROM Segregated Portfolio, a segregated portfolio of Nexus.
Investment Manager	: Nexus Capital Management Limited (“Offshore Manager”), a company incorporated in Cayman Islands and Nexus Investment Advisors Limited (“HK Manager”), a company incorporated in Hong Kong.
Administrator and Transfer Agent	: SS&C Fund Services (Asia) Limited, formerly known Citi Fund Services (Asia) Limited, a company incorporated in Hong Kong, or such person as from time to time appointed to act as the administrator of the Fund.

Investment Objective : The Fund is a credit oriented hedge fund which seeks to capture attractive risk adjusted return through investing in credit or credit related opportunities within the Asia-Pacific region.

Investment Policies : The Fund's geographic coverage includes North Asia and Greater China (Japan, Korea, Mongolia, China, Taiwan, Hong Kong and Macau), Southeast Asia (Indonesia, Thailand, Malaysia, Singapore, Philippines and Vietnam), Sub-Continent (India, Pakistan, Bangladesh and Sri Lanka), Australia/New Zealand, and the Gulf Cooperation Council (UAE, Saudi Arabia, Bahrain, Qatar, Oman and Kuwait). While the Fund's core focus is Asia, it will also have the ability to invest up to 25% of its assets outside the region (typically in situations or opportunities with a strong Asian angle).

It is intended that the Fund will invest in investment grade bonds and high yield and non-rated external debt.

The Fund may also invest in any fund with similar investment strategy and objective as the Fund which is managed and/or to be managed by the Investment Manager, the Investment Advisor and/or their respective affiliates (such fund, "FoF"). To avoid duplication of fees charged by the Investment Manager, the Fund will not pay management fees or performance fees at the FoF level.

Restrictions on Transfer : Shares may only be transferred with the prior written consent of Nexus's board of directors, whose consent may be given or withheld in their sole discretion.

Management Fee : The Fund will pay to the Investment Manager a Management Fee which accrues as of each Valuation Day and is payable monthly in arrears at 0.6% per annum of the Net Asset Value of the Fund as of each Valuation Day (but before deduction of any accrued Management Fee in respect of the relevant day).

Redemption : Shareholders of the Fund may only redeem their shares on Redemption Days at the Redemption Price and in the absence of any suspension of redemptions.

Redemption requests may be submitted by fax to the Transfer Agent, provided that the original redemption request signed by a person authorized to sign on behalf of the shareholder of the Fund is received by the Transfer Agent prior to the relevant Valuation Day and the shareholder of the Fund receives written confirmation from the Transfer Agent that the faxed redemption request has been received. A redemption request may not be revoked once given, except as approved by Nexus's board of directors or the Investment Manager.

Redemptions must be made for an amount equal to or exceeding the Minimum Redemption Amount, unless otherwise agreed by the Investment Manager.

- Redemption Day : The first day of each month or if such day is not a Business Day, the next Business Day and/or such other day or days (if any) as Nexus’s board of directors may determine from time to time.
- Redemption Price : The price per Share equal to the prevailing Net Asset Value per Share (or as the context may require, of the relevant series) calculated on the last Valuation Day before each Redemption Day, and/or such other day or days as may be determined by Nexus’s board of directors from time to time.
- Performance Fee : With respect to each S Share, any increase as at the last Valuation Day of each Financial Year (the “Calculation Date”) in (a) the Net Asset Value per Share as at the Calculation Date over (b) the Prior High Watermark will be allocated to the Fund and the Investment Manager as follows:
- (i) First, 100% to the Fund until the amount of such increase which is retained by the Fund pursuant to this sub-paragraph (i) is equal to the Hurdle;
 - (ii) Second, a Performance Fee to the Investment Manager being 10% per annum of the amount of such increase retained by the Fund multiplied by the number of relevant Shares as of such Calculation Date (such fee, the “Performance Fee”);
 - (iii) Thereafter, any balance to the Fund;

provided that (a) the amount allocated to the Fund under sub-paragraphs (i) and (iii) above will not be distributed and will be reinvested into the relevant series of Shares; and (b) in the event that the Net Asset Value as at a Calculation Date is lower than the Prior High Watermark, a Performance Fee will only be calculated to the extent that the Net Asset Value per Share as at the next subsequent Calculation Date is higher than the higher of the (i) Prior High Watermark; and (ii) the Net Asset Value per Share as at the last Calculation Date.

The “Prior High Watermark” is the Net Asset Value per Share of the relevant series immediately following the initial offering of such series and thereafter the Net Asset Value per Share as of the Calculation Date at which the last Performance Fee was determined to be made in respect of such series.

The relevant Net Asset Value for the purpose of calculating the Performance Fee for a Financial Year (or up to the relevant Redemption Day in case of a redemption during the Financial Year) is net of all the Fund costs and expenses accrued during the relevant period (including the Management Fee) but before calculating the Performance Fee for the relevant period.

INFORMATION OF THE GROUP AND THE SUBSCRIBER

The principal business activities of the Group are (i) exploration, development and mining of mineral resources materials, (ii) investment in financial instruments, (iii) property investment and (iv) money lending.

The Subscriber is a company incorporated in Hong Kong with limited liability and is principally engaged in investment in securities and investment holding.

INFORMATION OF THE INVESTMENT MANAGER

HK Manager is a company incorporated in Hong Kong and is a licensed corporation to carry out in Hong Kong a business in Type 4 (advising on securities) and Type 9 (asset management) regulated activities pursuant to the Securities and Futures Ordinance.

Offshore Manager is a company incorporated in the Cayman Islands.

INFORMATION OF THE ADMINISTRATOR AND TRANSFER AGENT

The Administrator and Transfer Agent is responsible for, amongst other things, keeping the register of shareholders, arranging for the issue and redemption of shares, calculation of asset valuations and fees and administration of uninvested cash.

INFORMATION OF THE FUND

According to the Private Placement Memorandum, the Fund is a segregated portfolio of Nexus, representing the designation by its directors of a particular class of shares as a sub-fund, the proceeds of issue of which are pooled separately and invested in accordance with the investment objective and policies applicable to such sub-fund. As the Fund is newly established, neither financial information nor past performance of the Fund is available.

Nexus is an exempted segregated portfolio company incorporated in the Cayman Islands with limited liability. It is registered with the Cayman Islands Monetary Authority as a registered mutual fund and it consists of different funds each designated as a segregated portfolio with one or more classes of Shares.

As at the date of this announcement, to the best of the information, knowledge and belief of the Directors, having made all reasonable enquiries, Nexus, the Fund and its respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFIT OF THE SUBSCRIPTION

The Company noted the recent decrease in price of all asset classes. The main purpose of the Subscription is to capture the current market opportunities leveraging on the investment expertise of the Investment Manager, and to develop a more diversified investment portfolio and broaden the revenue streams for the Group. The Directors consider that the Subscription is fair and reasonable and is in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription by the Subscriber exceeds 5% but is less than 25%, the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Board”	the board of Directors of the Company
“Business Day”	a day (other than a Saturday or a Sunday) on which banks in Hong Kong are authorised to open for normal banking business and/or such other day or days as the directors of Nexus may determine, either generally or in any particular case, provided that where, as a result of a Number 8 Typhoon Signal, Black Rainstorm Warning or similar event, the period during which banks in Hong Kong are open on any day are reduced, such day shall not be a Business Day
“Class”	the class of shares issued by Nexus in a fund from time to time
“Company”	CST Group Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 985)
“Director(s)”	the director(s) of the Company
“Financial Year”	the period beginning on 1 January immediately following the preceding Financial Year and ending on the following 31 December
“Group”	the Company and its subsidiaries
“Hurdle”	2.5% per annum (non-compounding and noncumulative) and shall be pro-rated for the period in respect of which the Performance Fee is determined
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Shares”	the voting non-participating, non-redeemable management shares of par value US\$1.00 each in the capital of Nexus
“Minimum Redemption Amount”	US\$100,000 or such lesser amount as the Investment Manager, in its sole discretion, determines
“Net Asset Value”	with respect to the fund, the total value of all of the assets of that fund or attributable to a Class and series (as appropriate) calculated as referred to herein minus all the outstanding debts, liabilities and obligations of that fund or attributable to a Class or series (as appropriate) calculated as referred to herein as calculated in the base

currency of the relevant fund in accordance with International Financial Reporting Standards.

“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Private Placement Memorandum”	the Private Placement Memorandum of Nexus dated January 2020, including each Supplement with respect to the relevant Fund, as may be amended or supplemented by the Nexus from time to time
“Share(s)”	the participating redeemable non-voting shares (other than the Management Shares) of any Class or series (including any sub-series) issued by the Fund from time to time, including the S Shares; and the participating non-redeemable non-voting shares (other than the Management Shares) of any Class or series (including any sub-series) issued by the Fund from time to time
“S Shares”	The non-voting, redeemable, participating shares of par value US\$0.01 each in the capital of Nexus attributable to the Fund, and includes all series thereof, being issued as S Shares and offered for subscription pursuant to the Private Placement Memorandum
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplement”	a supplement to the Private Placement Memorandum in respect of the Fund, as may be amended or supplemented by Nexus from time to time.
“US\$”	United States dollars, the lawful currency of the United States of America
“Valuation Day”	the last day of each month or if such day is not a Business Day, the immediately preceding Business Day, or such other days as the directors of Nexus may determine, as of which the Net Asset Value and the Net Asset Value per Share will be calculated
“%”	per cent

For illustration purposes, amounts in US\$ in this announcement have been translated into HK\$ at the rate of US\$1 = HK\$7.8.

By Order of the Board
CST Group Limited
Chiu Tao
Executive Director and Chairman

Hong Kong, 18 March 2020

As at the date of this announcement, the Board comprises (i) Mr. Chiu Tao (Chairman), Mr. Hui Richard Rui, Mr. Lee Ming Tung, Mr. Kwan Kam Hung, Jimmy, Mr. Tsui Ching Hung and Mr. Wah Wang Kei, Jackie as executive directors of the Company; and (ii) Mr. Yu Pan, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.