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## **DISCLOSEABLE TRANSACTION PROVISION OF LOAN FACILITY**

On 17 June 2020, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to provide to the Borrower a revolving loan facility of up to HK\$200,000,000, bearing interest at a rate of 7% per annum.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the amount of financial assistance granted to the Borrower exceeds 5% but not more than 25%, the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting and announcement requirements under the Listing Rules.

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### **THE LOAN AGREEMENT**

Principal terms of the Loan Agreement are set out as below:

Date	:	17 June 2020
Lender	:	Sun Power Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company
Borrower	:	High Rhine Limited
Principal amount	:	up to HK\$200,000,000
Interest rate	:	7% per annum

- Availability period : on any Business Day from the date of the Loan Agreement until the earlier of the date falling the last day of the twenty-third (23rd) month after the first drawdown date and the date on which the Loan is cancelled or terminated under the provision of the Loan Agreement, provided that the first drawing shall occur within fourteen (14) Business Days of the date of the Loan Agreement
- Repayment date : the Borrower shall repay the Loan in full on the Final Repayment Date and other monies then outstanding in connection with the Loan. All remaining balance of principal plus accrued interest of the Loan outstanding on the Final Repayment Date shall be paid on that date
- Re-borrowing : the Borrower may re-borrow (in whole or in part) any amount prepaid in accordance with the terms and conditions of the Loan Agreement

The Loan Facility will be funded by internal resources of the Group.

## **INFORMATION OF THE BORROWER**

The Borrower is a company incorporated in British Virgin Islands with limited liability and is engaged in the business of investment holding. To the best of the Directors' knowledge, information and belief of Director having made all reasonable enquiries, the Borrower is an Independent Third Party and not connected with the Group.

## **REASONS FOR AND BENEFITS OF THE PROVISION OF LOAN FACILITY**

The principal business activities of the Group are (i) exploration, development and mining of resources materials, (ii) investment in financial instruments, (iii) property investment and (iv) money lending. The Lender is a licensed money lender holding a valid money lender licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending. The provision of the Loan Facility is a transaction carried out as part of the ordinary and usual course of business of the Group.

The terms of the Loan Agreement (including the interest rate) were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice and the amount of the Loan Facility. The Directors consider that the terms of the Loan Agreement are fair and reasonable and the provision of the Loan Facility is in the interest of the Company and Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules with respect to the amount of financial assistance granted to the Borrower exceeds 5% but not more than 25%, the Loan Facility constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Borrower”	High Rhine Limited, a company incorporated in British Virgin Islands with limited liability, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, is Independent Third Party and not connected with the Group as at the date of this announcement
“Business Day”	a day (excluding Saturday) on which banks in Hong Kong are open for business
“Company”	CST Group Limited, a company incorporated in the 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
“Final Repayment Date”	the date falling two (2) years from the first drawdown date when the Loan amount, any accrued but unpaid interest and any other monies outstanding hereunder are due to be re-paid in full by the Borrower to the Lender
“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)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s)(as defined under the Listing Rules)
“Lender”	Sun Power Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the principal amount drawn and for the time being outstanding under the Loan Facility
“Loan Agreement”	a loan agreement dated 17 June 2020 entered into between the Lender and the Borrower in relation to provision of the Loan Facility

“Loan Facility”	a revolving loan facility of up to HK\$200,000,000 granted by the Lender to the Borrower pursuant to the Loan Agreement
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 17 June 2020

*As at the date of this announcement, the board of the Company 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.*