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SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION SUBSCRIPTION OF LIMITED PARTNERSHIP INTEREST IN A FUND

Reference is made to the announcement of the Company dated 11 June 2021 (the “**Announcement**”) in relation to the Subscription of Limited Partnership Interests in the Fund. Capitalised terms used herein shall have the same meaning as those defined in the Announcement unless otherwise stated. This announcement is to provide further information about the Subscription.

FURTHER INFORMATION OF THE FUND

As at the date of the Announcement, (a) the Fund has accepted in total circa 30 investors globally, (b) the target size of the Fund is US\$500 million; and (c) the Fund total capital commitment is circa US\$300 million. The single investment size is generally not expected to exceed 15% of Fund size.

The Fund is being established for the principal purposes of (a) making either directly or indirectly through an intermediate entity (owned or controlled by the Fund) “breakout” stage investments in technology companies whose businesses are seeking growth capital, with a view to generating income and capital appreciation, (b) managing, supervising and disposing of such investments.

The Fund is sector agnostic within the ‘tech’ universe but the primary focus is on disruptive technology that is likely to outperform in the post-pandemic markets. The target investments of the Fund includes:

- At least US\$1 billion+ addressable market in target sectors of the Fund
- Attractive and defensible value proposition
- Not a “me-too” player in the relevant market
- Scale: US\$20 million of revenue last twelve months or US\$15 million annual recurring revenue for SaaS businesses
- Growth profile: at least 30-50%
- Proven unit economics: positive or breakeven
- Exit opportunity in 3-5 years
- Ability to invest US\$20 million+ with board of the Fund representation

FURTHER INFORMATION OF THE GENERAL PARTNER

The General Partner also takes up the role as the Carried Interest Partner (i.e. the entity with ultimate responsibility for managing the business of the Fund), the key role of such Carried Interest Partner is to receive the carried interest arising upon the fruitful exit of the underlying portfolio investment. Carried interest is a share of profits that the general partners of private equity received as compensation and it essentially acts as a type of incentive and performance fee, it plays to motivate the General Partners and the Fund's overall performance.

The 20% carried interest rate is in line with market norms for the strategy in private equity. Accordingly, the Directors considered that such arrangement for the investment proceeds is fair and reasonable.

FURTHER INFORMATION OF THE MANAGEMENT COMPANY

Management Team of the Management Company

Mr. Emmanuel DeSousa (“**Mr. DeSousa**”) and Mr. Joaquin Rodriguez Torres (“**Mr. Rodriguez Torres**”) are the co-founders of the Management Company. They lead the management team of the Management Company.

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, Mr. DeSousa and Mr. Rodriguez Torres are third parties independent of the Company and connected persons of the Company.

REASON FOR AND BENEFITS OF ENTERING INTO THE SUBSCRIPTION AGREEMENT

As disclosed in the Announcement, the Board considered, among others, the past track records of the Management Company in other funds. They had invested in companies like AUTO1 Group and OZON. AUTO1 Group is Europe's leading online marketplace for buying and selling used vehicles. OZON is Russia's leading multi category eCommerce player and largest independent eCommerce logistics provider. Princeville Global invested in those 2 companies well before their IPO.

The management team of the Management Company led by Mr. DeSousa and Mr. Rodriguez Torres looks back on over 20+ years of investment experience, having invested in and supported some of the most prominent Internet and technology companies globally. Their track record demonstrates their ability to generate solid returns.

As disclosed in the Announcement, the Subscription enables the Group to make investment in technology companies while reducing direct investment risks, leveraging on the professional management team of the Fund, the General Partner and the Management Company. Direct investment in this context refers to as if the Group investing directly in a potential portfolio company that the Fund invested as opposed to holding an indirect interest in the same portfolio company via a limited partner interest in the Fund. The direct investment risks for the Company would include but not limited to:

- the ability to access and has the opportunity to invest in some highly sought-after investments;
- the ability to structure the investment that is efficient and effective throughout the holding period and upon the exit; and
- the ability to add value and help exiting such deals as a minority direct investor usually would not be easy

For more information on the Management Company, including its management team and previous portfolio of investments, please refer to its website at www.princeville-capital.com.

By order of the Board
CST Group Limited
Yeung Bik Shan
Company Secretary

Hong Kong, 14 July 2021

As at the date of this announcement, the Board comprises (i) Mr. Chiu Tao (Chairman), Mr. Hui Richard Rui, 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.