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DISCLOSEABLE TRANSACTION ACQUISITIONS OF LISTED SECURITIES

THE ACQUISITIONS

Through a series of acquisitions on 15 March 2022, the Acquirer, an indirect wholly-owned subsidiary of the Company, acquired a total of 700,000 Sands China Shares on the open market at an aggregate consideration of approximately HK\$10,192,000 (exclusive of transaction costs) at an average price of approximately HK\$14.56 per Sands China Share.

LISTING RULES IMPLICATION

One of the applicable percentage ratios for the Acquisitions, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisitions, exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the Acquisitions, when aggregated with the Previous Acquisitions, constitute 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.

THE ACQUISITIONS

Through a series of acquisitions on 15 March 2022, the Acquirer, an indirect wholly-owned subsidiary of the Company, acquired a total of 700,000 Sands China Shares on the open market at an aggregate consideration of approximately HK\$10,192,000 (exclusive of transaction costs) at an average price of approximately HK\$14.56 per Sands China Share. The price the Acquirer paid for in each transaction was the market price of Sands China Shares and settled in cash from internal resources of the Group.

As the Acquisitions were made through the open market, the Company is not aware of the identities of the sellers of the Sands China Shares. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the sellers of Sands China Shares and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

INFORMATION OF SANDS CHINA

Sands China Ltd., 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: 1928).

The principal activity of Sands China is investment holding and the principal activities of its subsidiaries are the development and operation of integrated resorts in Macau, which contain not only gaming and hotel areas, but also meeting space, convention and exhibition halls, retail and dining areas and entertainment venues.

The following financial information is extracted from the preliminary announcement of annual results for the year ended 31 December 2021 of Sands China dated 18 February 2022:

	Year Ended 31 December	
	2021	2020
	US\$ million	US\$ million
Net Revenues	2,874	1,687
Loss before income tax	(1,045)	(1,507)
Loss after income tax	(1,048)	(1,523)
Net assets	<u>888</u>	<u>1,929</u>

PREVIOUS ACQUISITIONS

The Acquirer acquired an aggregate of 2,900,000 Sands China Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$51,042,000 (exclusive of transaction costs) in the 12 months preceding the Acquisitions. The Previous Acquisitions in aggregate did not constitute a discloseable transaction of the Company pursuant to Chapter 14 of the Listing Rules at the relevant time.

REASONS FOR, AND THE BENEFITS OF, THE ACQUISITION

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

The Acquirer is an indirect wholly-owned subsidiary of the Company. It is incorporated in Hong Kong with limited liability and is principally engaged in investment in securities and acts as an investment holding company.

Given the Acquisitions are in alignment with the Group's principal activities on investment in financial instruments, the Acquisitions allow the Group to increase the long term return of funds of the Company by capitalizing the opportunities arising from the investment in Sands China Shares.

As the Acquisitions were made at market price, the Directors are of the view that the Acquisitions were fair and reasonable on normal commercial terms and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

One of the applicable percentage ratios for the Acquisitions, when aggregated with the Previous Acquisitions which were conducted within 12 months of the Acquisitions, exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the Acquisitions, when aggregated with the Previous Acquisitions, constitute 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.

“Acquirer”	Skytop Technology Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Acquisitions”	the acquisitions of Sands China Shares on the open market of an aggregate of 700,000 Sands China Shares conducted on 15 March 2022 at an aggregate consideration of approximately HK\$10,192,000 (exclusive of transaction costs)
“Board”	the board of Directors of the Company
“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
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Previous Acquisitions”	the Acquirer acquired an aggregate of 2,900,000 Sands China Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$51,042,000 (exclusive of transaction costs) in the 12 months preceding the Acquisitions

“Sands China”	Sands China Ltd., 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: 1928)
“Sands China Share(s)”	the ordinary share(s) issued by Sands China, which are listed on the Main Board of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar, the lawful currency of United States of America
“%”	per cent

By Order of the Board
CST Group Limited
Wah Wang Kei, Jackie
Company Secretary and Executive Director

Hong Kong, 15 March 2022

As at the date of this announcement, the Board comprises (i) Mr. Chiu Tao (Chairman), Mr. Han Xuyang, Mr. Hui Richard Rui, Mr. Kwan Kam Hung, Jimmy 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.