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This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

ATLAS KEEN LIMITED

*(Incorporated in the British Virgin Islands
with limited liability)*

CST GROUP LIMITED 中譽集團有限公司

*(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 985)*

JOINT ANNOUNCEMENT

**VOLUNTARY CONDITIONAL CASH OFFER BY
GET NICE SECURITIES LIMITED FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL ISSUED SHARES OF
CST GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY THE OFFEROR AND PARTIES ACTING
IN CONCERT WITH IT)
AND
RESUMPTION OF TRADING**

Joint Financial Advisers to the Offeror



VEDA | CAPITAL
智略資本

Independent Financial Adviser to the Independent Board Committee

Nuada Limited

SALE AND PURCHASE AGREEMENT

On 10 July 2020 (after trading hours), the Offeror and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 5,186,920,000 Shares, for a consideration of HK\$129,673,000, equivalent to HK\$0.025 per Sale Share, which was agreed between the Vendor and the Offeror after arm's length negotiations, and the Share Completion took place on 10 July 2020 immediately after the signing of the Sale and Purchase Agreement. The Sale Shares, being all the Shares held by the Vendor before Share Completion, represent approximately 13.40% of the entire issued share capital of the Company as at the date of the Sale and Purchase Agreement and this joint announcement.

VOLUNTARY CONDITIONAL CASH OFFER

The Offer

The Offeror and the Company hereby jointly announce that Get Nice Securities, for and on behalf of the Offeror, will make a voluntary conditional cash offer to acquire all the Offer Shares on the following basis:

For each Offer ShareHK\$0.028 in cash

The Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code.

As at the date of this joint announcement, there are 38,698,308,961 Shares in issue. The Company has no other outstanding Shares, options, warrants, derivatives, other securities that are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Value of the Offer

As at the date of this joint announcement, the Offeror and its Concert Parties collectively hold a total of 9,086,920,000 Shares, representing approximately 23.48% of the issued share capital of the Company. Save for the aforesaid, the Offeror and its Concert Parties do not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Assuming the Offer is accepted in full on the basis that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 29,611,388,961 issued Shares (representing the Shares not already owned or agreed to be acquired by the Offeror and its Concert Parties) will be subject to the Offer, and the maximum cash consideration payable by the Offeror under the Offer would be approximately HK\$829,118,891.

Financial resources available to the Offeror

The Offeror intends to finance the consideration payable under the Offer through its internal resources and a loan facility. Get Nice Capital and Veda Capital are satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptances of the Offer.

Condition of the Offer

The Offer is conditional upon valid acceptances of the Offer having been received (and where permitted, not withdrawn) on or before 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of such number of Shares which, together with the Shares acquired or agreed to be acquired before or during the Offer, would result in the Offeror and its Concert Parties holding more than 50% of the voting rights in the Company.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional. The Offer must also remain open for acceptance for at least fourteen (14) days after the Offer becomes unconditional in all respects. Shareholders are reminded that the Offeror does not have any obligation to keep the Offer open for acceptance beyond this 14-day period.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Nuada has been appointed as the independent financial adviser to advise the Independent Board Committee in this regard and such appointment has been approved by the Independent Board Committee.

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document, which will contain amongst others, details of the Offer, accompanied by the relevant form of acceptance, and incorporating the recommendation from the Independent Board Committee and the letter from the Independent Financial Adviser in respect of the Offer.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve. It is expected that the Composite Document will be despatched to the Shareholders in accordance with the requirements of the Takeovers Code.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or**
 - (ii) there are insufficient Shares in public hands to maintain an orderly market,**
- it will consider exercising its discretion to suspend dealings in the Shares.**

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 13 July 2020 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 20 July 2020.

WARNING

Shareholders and potential investors of the Company should note that the Offer is subject to the satisfaction of the Condition. Accordingly, the Offer may or may not become unconditional. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.

SALE AND PURCHASE AGREEMENT

On 10 July 2020 (after trading hours), the Offeror and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 5,186,920,000 Shares, for a consideration of HK\$129,673,000 in cash, equivalent to HK\$0.025 per Sale Share, which was agreed between the Vendor and the Offeror after arm's length negotiations, and the Share Completion took place on 10 July 2020 immediately after the signing of the Sale and Purchase Agreement. The Sale Shares, being all the Shares held by the Vendor before Share Completion, represent approximately 13.40% of the entire issued share capital of the Company as at the date of the Sale and Purchase Agreement and this joint announcement. The Vendor ceased to be a Shareholder immediately after the Share Completion.

VOLUNTARY CONDITIONAL CASH OFFER

The Offer

The Offeror and the Company hereby jointly announce that Get Nice Securities, for and on behalf of the Offeror, will make a voluntary conditional cash offer to acquire all the Offer Shares in compliance with the Takeovers Code on the basis set out below:

For each Offer Share HK\$0.028 in cash

The Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code.

As at the date of this joint announcement, there are 38,698,308,961 Shares in issue. The Company has no other outstanding Shares, options, warrants, derivatives, other securities that are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Comparison of value

The Offer Price of HK\$0.028 per Offer Share:

- (i) represents a premium of 12% over the closing price of HK\$0.025 per Share quoted on the Stock Exchange on the Last Trading Day;
- (ii) represents a premium of approximately 16.67% over the average closing price of HK\$0.024 per Share quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) represents a premium of approximately 21.74% over to the average closing price of HK\$0.023 per Share quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) represents a premium of approximately 25.56% over the average closing price of approximately HK\$0.0223 per Share quoted on the Stock Exchange for the thirty consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) represents a discount of approximately 64.82% to the audited consolidated net assets attributable to the Shareholders per Share of approximately US\$0.0102 (equivalent to approximately HK\$0.0796) as at 31 March 2020, calculated based on the audited consolidated net assets attributable to the Shareholders of approximately US\$395,166,000 (equivalent to approximately HK\$3,082,294,800) as at 31 March 2020 and 38,698,308,961 Shares in issue as at the date of this joint announcement.

Highest and lowest Share price

During the six-month period immediately preceding the Last Trading Day:

- (i) the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.026 per Share on 1, 2, 7 to 9, 14 to 17, 20 to 21, 23, 27 and 28 April and 6 May 2020; and
- (ii) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.021 per Share on 26, 28 to 29 May and 1 to 5 and 11 June and 2 July 2020.

Value of the Offer

Assuming the Offer is accepted in full on the basis that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 29,611,388,961 issued Shares (representing the Shares not already owned or agreed to be acquired by the Offeror and its Concert Parties) will be subject to the Offer, and the maximum cash consideration payable by the Offeror under the Offer would be approximately HK\$829,118,891.

Financial resources available to the Offeror

The Offeror intends to finance the consideration payable under the Offer through its internal resources and a loan facility. Get Nice Capital and Veda Capital are satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptances of the Offer.

Condition of the Offer

The Offer is conditional upon valid acceptances of the Offer having been received (and where permitted, not withdrawn) on or before 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of such number of Shares which, together with the Shares acquired or agreed to be acquired before or during the Offer, would result in the Offeror and its Concert Parties holding more than 50% of the voting rights in the Company.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional. The Offer must also remain open for acceptance for at least fourteen (14) days after the Offer becomes unconditional in all respects. Shareholders are reminded that the Offeror does not have any obligation to keep the Offer open for acceptance beyond this 14-day period.

Effect of accepting the Offer

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including, without limitation, the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid on or after the date of despatch of the Composite Document.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Hong Kong stamp duty

Sellers' Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.1% of the consideration payable in respect of the relevant acceptances or, if higher, the market value of the Offer Shares subject to such acceptance, will be deducted from the amounts payable to the Independent Shareholders who accept the Offer. The Offeror will arrange for payment of sellers' ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Cap. 117 of the Laws of Hong Kong).

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, its Concert Parties, the Company, Get Nice Securities, Get Nice Capital, Veda Capital and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the later of (i) the date of receipt of a completed and valid acceptance in respect of the Offer; or (ii) the date on which the Offer becomes or is declared unconditional in all respects.

Overseas Holders

The availability of the Offer to any Overseas Holders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Holders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Holders who

wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Holders in respect of such jurisdictions).

Any acceptance by any Overseas Holders will be deemed to constitute a representation and warranty from such Overseas Holders to the Offeror that the local laws and requirements have been complied with. The Overseas Holders should consult their professional advisers if in doubt.

Dealing and interests in the Company's securities

As at the date of this joint announcement, the Offeror and its Concert Parties collectively hold a total of 9,086,920,000 Shares, representing approximately 23.48% of the issued share capital of the Company. Save for the aforesaid, the Offeror and its Concert Parties do not hold, own, control or have direction over any Shares, voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The following table sets out the shareholding structure of the Company as at the date of this joint announcement:

Shareholders	As at the date of this joint announcement	
	Number of Shares	Approximate shareholding
The Offeror and its Concert Parties		
The Offeror	5,186,920,000	13.40%
Mr. Chiu	<u>3,900,000,000</u>	<u>10.08%</u>
Sub-total	9,086,920,000	23.48%
Independent Shareholders	<u>29,611,388,961</u>	<u>76.52%</u>
TOTAL	<u>38,698,308,961</u>	<u>100.00%</u>

The Offeror confirms that, as at the date of this joint announcement:

- (i) the Offeror and its Concert Parties have not received any irrevocable commitment to accept or reject the Offer;
- (ii) there is no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror or its Concert Parties;
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which may be material to the Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (iv) save for a total of 9,086,920,000 Shares, none of the Offeror or its Concert Parties own or have control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (v) save for the acquisition of the Sale Shares by the Offeror, none of the Offeror and its Concert Parties have dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the date of this joint announcement;
- (vi) there is no agreement or arrangement to which the Offeror or its Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (vii) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or its Concert Parties have borrowed or lent;
- (viii) save for the total consideration of HK\$129,673,000 for the Sale Shares, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or its Concert Parties with it to the Vendor or parties acting in concert with him in relation to the sale and purchase of the Sale Shares;
- (ix) there is no understanding, arrangement, agreement or special deal between any Shareholder; and (a) the Offeror and/or its Concert Parties; or (b) the Company, its subsidiaries or associated companies; and
- (x) there is no understanding, arrangement, agreement or special deal between the Offeror or its Concert Parties on the one hand, and the Vendor or parties acting in concert with him on the other hand.

INFORMATION OF THE GROUP

The Company is principally engaged in mining business. The Group operates in four segments, namely (i) exploration, development and mining of mineral resources; (ii) investment in financial instruments; (iii) property investment; and (iv) money lending. The Group operates businesses in China, Hong Kong, Canada and England.

Set out below is the summary of financial information of the Group for the financial years ended 31 March 2019 and 2020 as extracted from the annual results announcement of the Company for the year ended 31 March 2020:

	For the year ended 31 March	
	2019	2020
	<i>US\$'000</i>	<i>US\$'000</i>
	(audited)	(audited)
	(restated) ^(Note)	
<i>Continuing operations</i>		
Revenue	52,054	196,357
Loss before taxation	(55,789)	(315,657)
Loss for the year attributable to the Shareholders	(52,439)	(297,197)
	As at 31 March	
	2019	2020
	<i>US\$'000</i>	<i>US\$'000</i>
	(audited)	(audited)
Total assets	1,243,333	952,542
Total equity attributable to the Shareholders	669,421	395,166

Note: During the year ended 31 March 2020, the copper mining and e-logistic platform businesses were disposed, thus both businesses were recognized as discontinued operations in the statement of profit or loss for the year ended 31 March 2020. The comparative figures in the statement of profit or loss for the year ended 31 March 2019 have been restated to conform with that for the year ended 31 March 2020.

Further financial information of the Group will be set out in the Composite Document to be despatched.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the BVI with limited liability.

As at the date of this joint announcement, the Offeror is wholly-owned by Mr. Chiu, who is the sole director of the Offeror. Mr. Chiu, aged 64, was appointed as the chairman and an executive Director of the Company on 10 March 2009 and 7 November 2008, respectively. Mr. Chiu is an experienced executive and merchant. He has extensive experience in the metal business, trading, investment planning, business acquisitions and development, and corporate management. Mr. Chiu was the chairman and acting chief executive officer and an executive director of G-Resources Group Limited, the shares of which are listed on the main board of the Stock Exchange (stock code: 1051).

INTENTION OF THE OFFEROR ON THE GROUP

Following the close of the Offer, it is the intention of the Offeror that the Group will continue with its existing principal activities after the close of the Offer. As at the date of this joint announcement, no investment or business opportunities has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to (a) the injection of any assets or business into the Group or (b) the disposal of any assets or business of the Group, other than those conducted by the Company in its ordinary course of business and/or those which are immaterial in nature. As at the date of this joint announcement, the Offeror has no intention to (i) discontinue the employment of any employees of the Group or change the composition of the Board; (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business; or (iii) introduce any major changes in the existing operations and business of the Group.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Nuada has been appointed as the independent financial adviser to the Independent Board Committee in this regard and such appointment has been approved by the Independent Board Committee.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or**
 - (ii) there are insufficient Shares in public hands to maintain an orderly market,**
- it will consider exercising its discretion to suspend dealings in the Shares.**

The Offeror intends the Shares to remain listed on the Stock Exchange after the close of the Offer. The sole director of the Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

COMPULSORY ACQUISITION

The Offeror does not intend to exercise or apply any right which may be available to it to acquire compulsorily any Shares outstanding after the close of the Offer.

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document, which will contain, amongst others, details of the Offer, accompanied by the relevant form of acceptance, and incorporating the recommendation from the Independent Board Committee and the letter from the Independent Financial Adviser in respect of the Offer.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve. It is expected that the Composite Document will be despatched to the Shareholders in accordance with the requirements of the Takeovers Code.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 13 July 2020 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 20 July 2020.

DEALING DISCLOSURE

All associates (as defined under the Takeovers Code and include persons holding 5% or more of any class of relevant securities) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings including identities of clients, as part of that co-operation.”

WARNING

Shareholders and potential investors of the Company should note that the Offer is subject to the satisfaction of the Condition. Accordingly, the Offer may or may not become unconditional. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisers.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“Board”	the board of Directors

“BVI”	the British Virgin Islands
“Closing Date”	the date to be stated in the Composite Document as the first closing date or any subsequent closing date as and may be announced by the Offeror and approved by the Executive
“Company”	CST Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 985)
“Composite Document”	the composite offer document proposed to be issued jointly by the Offeror and the Company in respect of the Offer in accordance with the Takeovers Code to be despatched to the Independent Shareholders
“Concert Party(ies)”	in relation to the Offeror and Mr. Chiu, party(ies) acting in concert and presumed to be acting in concert with either of them, as determined in accordance with the Takeovers Code
“Condition”	the condition of the Offer, being the valid acceptances of the Offer having been received (and where permitted, not withdrawn) on or before 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of such number of Shares which, together with the Shares acquired or agreed to be acquired before or during the Offer, would result in the Offeror and its Concert Parties holding more than 50% of the voting rights in the Company
“Director(s)”	the director(s) of the Company from time to time
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Get Nice Capital”	Get Nice Capital Limited, a corporation licensed to carry out business in type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as one of the joint financial advisers to the Offeror in respect of the Offer
“Get Nice Securities”	Get Nice Securities Limited, a corporation licensed to carry out businesses in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“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 China
“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors, namely Mr. Yu Pan, Ms. Ma Yin Fan and Mr. Leung Hoi Ying, established for the purpose of advising and giving recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror and its Concert Parties
“Last Trading Day”	10 July 2020, being the last trading day of the Shares before publication of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chiu”	Mr. Chiu Tao, the chairman and an executive Director of the Company
“Nuada”	Nuada Limited, a corporation licensed to carry out business in type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer
“Offer”	the voluntary conditional cash offer to be made by Get Nice Securities for and on behalf of the Offeror for all the Offer Shares in accordance with the Takeovers Code
“Offer Price”	the price at which the Offer will be made, being HK\$0.028 per Offer Share
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and its Concert Parties
“Offeror”	Atlas Keen Limited, a company incorporated under the laws of BVI with limited liability and wholly owned by Mr. Chiu
“Overseas Holder(s)”	Independent Shareholder(s) whose addresses, as shown in the register of members of the Company, are outside Hong Kong

“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 July 2020 and entered into between the Vendor and the Offeror for the sale and purchase of the Sale Shares
“Sale Shares”	5,186,920,000 Shares beneficially owned by the Vendor as at the date of the Sale and Purchase Agreement and immediately prior to Share Completion, representing approximately 13.40% of the total issued share capital of the Company as at the date of the Sale and Purchase Agreement and immediately prior to Share Completion
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs
“US\$”	US dollars, the lawful currency of the United States of America
“Veda Capital”	Veda Capital Limited, a corporation licensed to carry out business in type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as one of the joint financial advisers to the Offeror in respect of the Offer
“Vendor”	Mr. Howard Wong
“%”	per cent

For and on behalf of
Atlas Keen Limited
Chiu Tao
Director

By order of the board of
CST Group Limited
Chiu Tao
Executive Director and Chairman

Hong Kong, 17 July 2020

As at the date of this joint 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; and (ii) Mr. Yu Pan, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Offeror, Mr. Chiu, and the Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by Mr. Chiu (in his capacity as the sole director of the Offeror), and the Concert Parties) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, Mr. Chiu is the sole director of the Offeror. The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group and the Vendor), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Directors (in their capacity as the Directors) other than Mr. Chiu and the Vendor) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The English text of this joint announcement shall prevail over its Chinese text.

For the purpose of this joint announcement, unless the context otherwise requires, conversion of US\$ into HK\$ is based on the approximate exchange rate of US\$1.00 to HK\$7.80.