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DISCLOSEABLE TRANSACTION ACQUISITIONS OF FURTHER LISTED SECURITIES

THE 8 APRIL ACQUISITIONS

On 8 April 2021, the Acquirer, an indirect wholly-owned subsidiary of the Company, through a series of acquisitions further acquired a total of 8,000,000 CNOOC Shares on the open market at an aggregate consideration of approximately HK\$63,220,000 (exclusive of transaction costs) at an average price of approximately HK\$7.903 per CNOOC Share.

LISTING RULES IMPLICATION

One of the applicable percentage ratios for the 8 April Acquisitions, whether on standalone basis or when aggregated with the Previous Acquisitions which were conducted within 12 months of the 8 April Acquisitions, exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the 8 April Acquisitions, whether on standalone basis or 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 8 APRIL ACQUISITIONS

Reference is made to the announcement of the Company dated 7 April 2021.

On 8 April 2021, the Acquirer, an indirect wholly-owned subsidiary of the Company, through a series of acquisitions further acquired a total of 8,000,000 CNOOC Shares on the open market at an aggregate consideration of approximately HK\$63,220,000 (exclusive of transaction costs) at an average price of approximately HK\$7.903 per CNOOC Share. The price the Acquirer paid for in each transaction was the market price of CNOOC Shares and settled in cash from internal resources of the Group.

As the 8 April Acquisitions were made through the open market, the Company is not aware of the identities of the sellers of the CNOOC Shares. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the sellers of CNOOC Shares and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

INFORMATION OF CNOOC

CNOOC is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of Stock Exchange (Stock Code: 883). CNOOC Group is the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world. CNOOC Group mainly engages in exploration, development, production and sale of crude oil and natural gas.

The following financial information is extracted from the 2020 annual results announcement of CNOOC:

	Year Ended 31 December	
	2020	2019
	RMB million	RMB million
Revenue	155,372	233,199
Profit before tax	34,907	85,649
Profit after tax	24,956	61,045
Net assets	433,930	448,226

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 8 April Acquisitions are in alignment with the Group's principal activities on investment in financial instruments, the 8 April Acquisitions allow the Group to increase the long term return of funds of the Company by capitalizing the opportunities arising from the investment in CNOOC Shares.

As the 8 April Acquisitions were made at market price, the Directors are of the view that the 8 April 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 8 April Acquisitions, whether on standalone basis or when aggregated with the Previous Acquisitions which were conducted within 12 months of the 8 April Acquisitions, exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the 8 April Acquisitions, whether on standalone basis or when aggregated with the Previous Acquisitions, and by itself 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
“7 April Acquisitions”	the acquisitions of CNOOC Shares on the open market of an aggregate of 4,000,000 CNOOC Shares conducted on 7 April 2021 at an aggregate consideration of approximately HK\$32,732,000 (exclusive of transaction costs)
“8 April Acquisitions”	the acquisition of CNOOC Shares on the open market of an aggregate of 8,000,000 CNOOC Shares on 8 April 2021 at an aggregate consideration of approximately HK\$63,220,000 (exclusive of transaction costs)
“Board”	the board of Directors of the Company
“CNOOC”	CNOOC Limited, a company incorporated in Hong Kong with limited liability, the shares on which are listed on the Main Board of the Stock Exchange (Stock Code: 883)
“CNOOC Group”	CNOOC and its subsidiaries
“CNOOC Share(s)”	Ordinary shares of CNOOC
“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
“Disposal”	disposal of all CNOOC Shares then held by the Acquirer on 19 March 2021. Details of the Disposal were disclosed in the announcement of the Company dated 19 March 2021
“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

“Previous Acquisitions”	after the Disposal, the Acquirer acquired an aggregate of 2,000,000 CNOOC Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$16,100,000 (exclusive of transaction costs) in the 12 months preceding the 7 April Acquisitions, and the 7 April Acquisitions
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 8 April 2021

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.