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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 985)

POSITIVE PROFIT ALERT

This announcement is made by CST Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on a preliminary review by the Company’s management on the unaudited consolidated management accounts of the Group, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that the Group is expected to record a net profit of not less than US\$295 million for its financial year ended 31 March 2021 (the “**Year**”) as compared with a net loss of approximately US\$295 million recorded by the Group for the year ended 31 March 2020.

The Board considers that the expected turnaround from a net loss position to a net profit was primarily attributable to the combined effect of the following factors:

- (i) the recognition of gain on fair value changes of financial assets at fair value through profit or loss for the Year of not less than US\$280 million as compared with the loss on that for the year ended 31 March 2020 of approximately US\$148.8 million; and
- (ii) the exchange gain of not less than US\$65 million, mainly from coal mining business, caused by the increase in exchange rate of Canadian Dollar against United States Dollar during the Year as compared with a loss of approximately US\$34.3 million for the year ended 31 March 2020.

This positive profit alert announcement is only based on the preliminary review on the unaudited consolidated management accounts of the Group, which has not been reviewed nor confirmed by the Company’s auditor.

The Company is in the process of finalising the annual results of the Group for the Year. The overall financial results of the Group for the Year will only be ascertained when all the relevant results and treatments are finalised. The annual results announcement of the Group for the Year is expected to be announced in late June 2021.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 3 May 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.