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## **DISCLOSEABLE TRANSACTION ACQUISITIONS OF LISTED SECURITIES**

### **THE ACQUISITIONS**

Through a series of acquisitions on 10 August 2021, the Acquirer, an indirect wholly-owned subsidiary of the Company, acquired a total of 76,000 Huishang Bank H Shares on the open market at an aggregate consideration of approximately HK\$193,800 (exclusive of transaction costs) at an average price of approximately HK\$2.55 per Huishang Bank H 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**

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

## INFORMATION OF HUISHANG BANK

Huishang Bank, a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of Stock Exchange (Stock Code: 3698).

The principal activities of Huishang Bank and its subsidiaries include RMB and foreign currency deposits, loans, clearing and settlement services, asset custody services, finance leasing services, and the provision of services as approved by the respective regulators.

The following financial information is extracted from the 2020 annual report of Huishang Bank:

	<b>Year Ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Operating income	32,290,398	31,159,318
Profit before income tax	12,082,696	12,300,817
Profit after income tax	9,921,380	10,061,599
Net assets	<u>105,672,639</u>	<u>89,493,629</u>

## PREVIOUS ACQUISITIONS

After the 23<sup>rd</sup> September Acquisitions, the Acquirer acquired an aggregate of 15,660,000 Huishang Bank H Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$39,708,000 (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 Huishang Bank H 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.

“23 <sup>rd</sup> September Acquisitions”	acquisition of a total of 1,692,000 Huishang Bank H Shares on the open market at an aggregate consideration of approximately HK\$4.30 million (exclusive of transaction costs) by the Acquirer on 23 September 2020. Details of the 23 <sup>rd</sup> September Acquisitions were disclosed in the announcement of the Company dated 23 September 2020
“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 Huishang Bank H Shares on the open market of an aggregate of 76,000 Huishang Bank H Shares conducted on 10 August 2021 at an aggregate consideration of approximately HK\$193,800 (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
“Huishang Bank”	Huishang Bank Corporation Limited, a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3698)

“Huishang Bank H Share(s)” / “H Shares”	the ordinary shares issued by Huishang Bank to overseas investors, which are denominated in RMB, subscribed for in Hong Kong dollars and listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Acquisitions”	after the 23 <sup>rd</sup> September Acquisitions, the Acquirer acquired an aggregate of 15,660,000 Huishang Bank H Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$39,708,000 (exclusive of transaction costs) in the 12 months preceding the Acquisitions
“RMB”	Renminbi, the lawful currency of the PRC
“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, 10 August 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.*