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## **DISCLOSEABLE TRANSACTION REDEMPTION OF FUND**

### **THE REDEMPTION**

On 23 February 2022, Partner United, an indirect wholly-owned subsidiary of the Company, received the Contract Note, pursuant to which Partner United redeemed 16,654.9716 Class Z Shares in the Fund at the aggregate redemption proceeds of approximately US\$23.16 million.

### **LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Redemption, exceeds 5% but is less than 25%, the Redemption constitutes 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.

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Pursuant to the Private Placement Memorandum, the Class Z Shares shall be redeemed at the Redemption Price, the proceeds of the Redemption will generally be paid to the redeeming shareholder of the Fund within thirty (30) days after the relevant Redemption Day.

After completion of the Redemption, Partner United still holds approximately 16,655 Class Z Shares and 151 Class S1Z-2 Shares in the Fund.

### **FINANCIAL EFFECTS AND USE OF PROCEEDS FROM THE REDEMPTION**

The proceeds from the Redemption are approximately US\$23.16 million. It is expected that the Group records a gain of approximately US\$3.49 million from the Redemption, being the difference between the proceeds of the Redemption and the investment costs of the Class Z Shares being redeemed, subject to auditors' review.

The Group intends to use the proceeds of the Redemption for general working capital.

## **INFORMATION OF THE FUND AND THE INVESTMENT MANAGER**

### The Fund

The Fund is an exempted company with limited liability incorporated in the Cayman Islands. The Fund is a multi-strategy credit oriented hedge fund which seeks to capture attractive risk adjusted return through investing in credit or credit related opportunities within the Asia-Pacific region.

### The Investment Manager

Nexus Investment, a private company limited by shares incorporated in Hong Kong, has been appointed as the investment manager of the Fund with respect to the Fund's assets in Hong Kong. Nexus Investment is licensed by the Securities and Futures Commission to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities in Hong Kong.

To the best of knowledge, information and belief of the Directors, having made all reasonable enquires, each of the Fund, the Investment Manager and their respective ultimate beneficial owners are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE REDEMPTION**

Taking into account the Redemption is conducted in the ordinary and usual course of the business of the Group and provides the Group with an opportunity to realise its investment in the Fund, the Directors consider that the terms of the Redemption are fair and reasonable, and the Redemption is on normal commercial terms and in the interests of the Company and its shareholders as a whole.

## **INFORMATION OF THE GROUP AND PARTNER UNITED**

The principal business 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.

Partner United is an indirect wholly-owned subsidiary of the Company. It is incorporated in British Virgin Islands with limited liability and is principally engaged in investment in funds.

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## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

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| “Board”                                       | the board of Directors   |
| “Business Day”                                | any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in foreign currencies in Hong Kong and on which the Stock Exchange is open for normal trading provided that where, as a result of a number 8 typhoon signal or higher or a black rainstorm warning or other similar event in Hong Kong, the period during which banks in Hong Kong are open for normal banking business on any day are reduced, such day shall not be a Business Day unless any Investment Manager determines otherwise |
| “Class S1Z-2 Shares                           | the non-voting, redeemable, participating shares of par value US\$0.01 each in the capital of the Fund being issued as Class S1Z-2 Shares  |
| “Class Z Shares”                              | the non-voting, redeemable, participating shares of par value US\$0.01 each in the capital of the Fund being issued as Class Z Shares  |
| “Company”                                     | CST Group Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 985)   |
| “connected person(s)”                         | has the meaning ascribed to it under the Listing Rules   |
| “Contract Note”                               | a contract note for the Redemption received by Partner United on 23 February 2022, which sets out the Redemption Price and other details of the Redemption   |
| “Director(s)”                                 | director(s) of the Company   |
| “Fund”  | Nexus Asian Hybrid Credit Fund, an exempted company with limited liability incorporated in the Cayman Islands  |
| “Group”                                       | the Company and its subsidiaries   |
| “Hong Kong”                                   | the Hong Kong Special Administrative Region of the People’s Republic of China  |
| “Independent Third Party(ies)”                | third party(ies) independent of the Company and connected persons of the Company   |
| “Investment Manager” or<br>“Nexus Investment” | Nexus Investment Advisors Limited, a private company limited by shares incorporated in Hong Kong   |

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|--------------------------------|--|
| “Listing Rules”                | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Partner United”               | Partner United Limited, a company incorporated in British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Private Placement Memorandum” | private placement memorandum of the Fund   |
| “Redemption”                   | the redemption of 16,654.9716 Class Z Shares in the Fund by Partner United as referred to the Contract Note  |
| “Redemption Day”               | the first Business Day after the last Valuation Day of any calendar month  |
| “Redemption Price”             | the net asset value per Share as set out in the Contract Note  |
| “Share(s)”                     | the participating redeemable non-voting shares of any Class or series issued by the Fund from time to time   |
| “Stock Exchange”               | The Stock Exchange of Hong Kong Limited  |
| “US\$”                         | US dollars, the lawful currency of the United States of America  |
| “Valuation Day”                | the last Business Day of each month as of which the net asset value and the net asset value per share of Fund will be calculated                       |
| “%”                            | per cent   |

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

Hong Kong, 23 February 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.*