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THE CROSS-HARBOUR (HOLDINGS) LIMITED

港通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 32)

CONNECTED TRANSACTION

On 31 May 2019, the Subscriber subscribed a principal amount of US\$18,000,000 (equivalent to approximately HK\$141,300,000) of the Notes to be issued by the Issuer.

GENERAL

Mr. Cheung is deemed to be interested in approximately 51.87% of the issued shares of C C Land as at the date of this announcement and the Issuer is an indirectly wholly-owned subsidiary of C C Land. Each of C C Land and the Issuer is therefore an associate of Mr. Cheung. As Mr. Cheung is a connected person of the Company, the Subscription constitutes a connected transaction of the Company under the Listing Rules. As all the applicable percentage ratios exceed 0.1% but all of them are less than 5%, the Subscription is only subject to the reporting and announcement requirements under the Listing Rules.

1. THE SUBSCRIPTION

On 31 May 2019, the Subscriber subscribed a principal amount of US\$18,000,000 (equivalent to approximately HK\$141,300,000) of the Notes to be issued by the Issuer. A brief summary of the terms of and other information relating to the Notes is as follows:

Issuer	: the Issuer
Guarantor	: the Guarantor
Issue price	: 100% of the principal amount of the Notes
Completion	: the Notes Issue is subject to completion (to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the tentative date of the Notes Issue will be 6 June 2019).
Date of Maturity	: 6 June 2022 (assuming the Notes will be issued on 6 June 2019)
Interest	: the Notes will bear interest from 6 June 2019 (assuming the Notes will be issued on 6 June 2019) at the rate of 6.35% per annum, payable in arrears on 6 June and 6 December in each year, beginning on 6 December 2019

- Ranking of the Notes : the Notes will constitute direct, general, unconditional, unsubordinated and (subject to the terms and conditions of the Notes) unsecured obligations of the Issuer which will at all times rank pari passu without any preference or priority among themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
- Redemption of tax reasons : the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders, the registrar and the fiscal agent of the Notes (which notice shall be irrevocable) at their principal amount, together with interest accrued to, but excluding, the date fixed for redemption, at any time in the event of certain changes affecting tax of the British Virgin Islands or Bermuda, as further described in the terms and conditions of the Notes.
- Redemption for change of control : at any time following the occurrence of a change of control (as further described in the terms and conditions of the Notes), any Noteholder will have the right, at such Noteholder's option, to require the Issuer to redeem all but not some only of that Noteholder's Notes on the change of control put date (as further described in the terms and conditions of the Notes) at 101% of their principal amount, together with accrued interest to, but excluding the change of control put date, as further described in the terms and conditions of the Notes.
- Redemption at the option of the Issuer : the Issuer may, at any time, on giving not less than 30 days' nor more than 60 days' notice to the Noteholders, the registrar and the fiscal agent of the Notes (which shall be irrevocable), redeem the Notes, in whole, but not in part, at their principal amount, together with interest accrued to the date fixed for redemption, as further described in the terms and conditions of the Notes.
- Events of default : upon the occurrence of certain events as described in the terms and conditions of the Notes, Noteholders holding not less than 5% of the aggregate principal amount of the outstanding Notes may, by written notice addressed to the Issuer and C C Land as guarantor and delivered to the Issuer and C C Land as guarantor, declare the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality, as further described in the terms and conditions of the Notes.
- Use of proceeds : to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Notes Issue is being undertaken by C C Land Group primarily to raise general working capital for C C Land Group and the entire amount of the net proceeds from the Notes Issue will be on-lent by the Issuer to C C Land and/or other members of C C Land Group as general working capital of C C Land Group.

Listing : to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, an application will be made by the Issuer and the Guarantor to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issue to professional investors (as defined in Chapter 37 of the Listing Rules and in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) only and a confirmation of eligibility for listing of the Notes has been issued by the Stock Exchange.

2. INFORMATION ON THE ISSUER

To the best of the Directors' knowledge, information and belief, the Issuer is a company incorporated in the British Virgin Islands with limited liability and is an indirectly wholly-owned subsidiary of C C Land and currently does not have any operating activities or revenue.

3. INFORMATION OF THE SUBSCRIBER AND THE GROUP

The principal business activity of the Subscriber is securities investment and the Subscriber is indirectly wholly-owned by the Company. The principal business activity of the Company is investment holding. The principal business activities of the Company's subsidiaries, associates and a joint venture are motoring school operations, treasury management and securities investment, tunnel operations and electronic toll collection.

4. REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Directors considered that the Subscription will be able to provide the Group with the opportunity to earn a reasonable and stable return on its investment in light of the currently uncertain and challenging economic environment.

The Directors (including the independent non-executive Directors) consider that as the Subscription including the issue price of the Notes are on the same terms and conditions as those for other subscribers, the terms and conditions of the Subscription have been made on normal commercial terms and the terms thereof are fair and reasonable and are in the interests of the Group and the shareholders of the Company as a whole.

The Company intends to fund the Subscription from its internal resources.

5. GENERAL

Mr. Cheung is deemed to be interested in approximately 51.87% of the issued shares of C C Land as at the date of this announcement and the Issuer is an indirectly wholly-owned subsidiary of C C Land. Each of C C Land and the Issuer is therefore an associate of Mr. Cheung. As Mr. Cheung is a connected person of the Company, the Subscription constitutes a connected transaction of the Company under the Listing Rules. As all the applicable percentage ratios exceed 0.1% but all of them are less than 5%, the Subscription is only subject to the reporting and announcement requirements under the Listing Rules.

Mr. Cheung has abstained from voting on the relevant resolution approving the Subscription and has not been counted in the quorum of the Board meeting pursuant to the Company's articles of association to avoid any conflict of interests. Save for Mr. Cheung, none of the Directors is considered as having a material interest in the Subscription. Therefore, all Directors except Mr. Cheung are entitled to vote and be counted in the quorum pursuant to the Company's articles of association.

6. DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“C C Land” or “Guarantor”	C C Land Holdings Limited, a company incorporated in Bermuda, with limited liability, whose shares are listed on the main board of the Stock Exchange
“C C Land Group”	C C Land and its subsidiaries
“Company”	The Cross-Harbour (Holdings) Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issuer”	Perfect Point Ventures Limited, a company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of C C Land
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Cheung”	Mr. Cheung Chung Kiu, the Chairman and executive Director of the Company
“Noteholder(s)”	the person(s) in whose name such Note is for the time being registered in the register of the Notes (or, in the case of a joint holding, the first named thereof)
“Notes”	US\$250,000,000 6.35% notes due 2022
“Notes Issue”	the issue of the Notes by the Issuer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Gold Faith Investments Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly-owned by the Company
“Subscription”	subscription of the Notes by the Subscriber in the principal amount of US\$18,000,000 (equivalent to approximately HK\$141,300,000)
“United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$” or “US dollar”	United States dollars, the lawful currency of the United States
“%”	percent

On behalf of the Board
Yeung Hin Chung, John
Managing Director

Hong Kong, 3 June 2019

As at the date hereof, the Board comprises Mr. Cheung Chung Kiu, Mr. Yeung Hin Chung, John, Mr. Yuen Wing Shing, Mr. Wong Chi Keung, Mr. Leung Wai Fai and Ms. Tung Wai Lan, Iris who are executive directors; and Mr. Ng Kwok Fu, Mr. Luk Yu King, James and Mr. Leung Yu Ming, Steven who are independent non-executive directors.

In this announcement US\$ has been converted to HK\$ at the rate of US\$1 = HK\$7.85 for illustration purpose only. No representation is made that any amounts in US\$ or HK\$ have been, could have been or could be converted at the above rate or at any other rates at all.