

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **THE CROSS-HARBOUR (HOLDINGS) LIMITED**

**港通控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 32)**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF LIMITED PARTNERSHIP INTERESTS IN PARTNERSHIPS**

#### **THE SUBSCRIPTIONS**

On 15 June 2021, the First Subscriber executed the First Subscription Agreement and the Second Subscriber executed the Second Subscription Agreement, pursuant to which the First Subscriber and the Second Subscriber have agreed to subscribe for limited partnership interests in the First Partnership and the Second Partnership with the capital commitment in the amount of US\$10,000,000 (approximately equivalent to HK\$78,000,000) and US\$30,000,000 (approximately equivalent to HK\$234,000,000) respectively.

#### **LISTING RULES IMPLICATIONS**

Pursuant to the relevant requirements of Chapter 14 of the Listing Rules, each of the First Subscription and the Second Subscription on a stand-alone basis did not constitute a discloseable transaction of the Company under the Listing Rules at the date of entering into the respective subscription agreement. However, as the highest applicable Percentage Ratio for the Company upon aggregation of the Two Subscriptions is above 5% but less than 25%, the Two Subscriptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and are subject to the reporting and announcement requirements thereunder.

#### **1. THE SUBSCRIPTIONS**

On 15 June 2021, the First Subscriber executed the First Subscription Agreement and the Second Subscriber executed the Second Subscription Agreement, pursuant to which the First Subscriber and Second Subscriber have agreed to subscribe for limited partnership interests in the First Partnership and the Second Partnership with the capital commitment in the amount of US\$10,000,000 (approximately equivalent to HK\$78,000,000) and US\$30,000,000 (approximately equivalent to HK\$234,000,000), respectively.

#### **2. THE FIRST SUBSCRIPTION**

##### **First Subscription Agreement**

A brief summary of certain principal terms of the First Subscription Agreement is as follows:

Date : 15 June 2021

- Parties : (1) the First Subscriber; and  
(2) the General Partner (for itself and for the First Partnership)
- Subscription : The First Subscriber has agreed (a) to make a capital commitment in an amount of US\$10,000,000 (approximately equivalent to HK\$78,000,000) to, and purchase limited partnership interests from, the First Partnership, payable in the manner and at the times provided in the First Limited Partnership Agreement, (b) to become a party to, adhere to and be bound by the First Limited Partnership Agreement, and (c) to become a limited partner of the First Partnership.
- Closing : The closing of the First Subscription shall take place on such date and at such time and at such place as shall be selected by the General Partner.
- Acceptance : The limited partnership interests agreed to subscribe for shall not be deemed to be issued to, or owned by, the First Subscriber until the First Subscription is accepted by the General Partner in accordance with the First Subscription Agreement.

The capital commitment in the amount of US\$10,000,000 (approximately equivalent to HK\$78,000,000) corresponds with the limited partnership interests agreed to subscribe for in the First Partnership and was determined after arm's length negotiations between the parties. The capital commitment will be settled in cash and funded by the Group's internal resources.

### **First Limited Partnership Agreement**

A brief summary of certain principal terms of the First Limited Partnership Agreement is as follows:

- Name of the First Partnership : Banner Ridge Secondary Fund IV Co, LP
- Term : The First Partnership has a term of 10 years from 15 June 2021 but the General Partner may authorize a one-year extension thereof without the consent of the Limited Partners and may thereafter authorize a subsequent one-year extension thereof without the consent of the Limited Partners.
- Scope : The First Partnership has been organized for the object and purpose of, among other things, making investments, primarily secondary investments (as defined under the First Limited Partnership Agreement), to the extent that, in the reasonable, good faith discretion of the General Partner, (i) the Principal Fund has exhausted its capital available for such investments, (ii) the Principal Fund has acquired as large a position as is desirable or prudent, or (iii) such investment is not otherwise suitable for the Principal Fund but is appropriate for the First Partnership.

Parties	: (1) General Partner, as the general partner and attorney of the limited partners of the First Partnership including the First Subscriber (2) Limited Partners (including the First Subscriber) (3) Special Limited Partner (4) Anthony Cusano, the initial limited partner
Transferability of interests	: A Limited Partner may not transfer all or any portion of its limited partnership interests in the First Partnership without the prior written consent of the General Partner except as otherwise provided in the First Partnership Agreement.
Management	: The management, control and operation of the First Partnership shall be vested in the General Partner which has the sole discretion to make investments on behalf of the First Partnership and to exercise certain powers.
Management fee	: The First Subscriber is not required to pay to the First Partnership any management fee.
Distributions	: The General Partner shall distribute, generally on a quarterly basis, net distributable cash at such times and in such amounts as determined by the General Partner in its sole discretion.  Distribution to each class of Limited Partnership Interests will be made in the defined priority as set out in the First Limited Partnership Agreement, and with respect to the First Subscriber, any carried interest distributions from the First Partnership that would otherwise be distributed to the Special Limited Partner shall instead be distributed to the First Subscriber.

### **3. THE SECOND SUBSCRIPTION**

#### **The Second Subscription Agreement**

Date	: 15 June 2021
Parties	: (1) the Second Subscriber; and (2) the General Partner (for itself and for the Second Partnership)
Subscription	: The Second Subscriber has agreed (a) to make a capital commitment in an amount of US\$30,000,000 (approximately equivalent to HK\$234,000,000) to, and purchase limited partnership interests from, the Second Partnership, payable in the manner and at the times provided in the Second Limited Partnership Agreement, (b) to become a party to, adhere to and be bound by the Second Limited Partnership Agreement, and (c) to become a limited partner of the Second Partnership.
Closing	: The closing of the Second Subscription shall take place on such date and at such time and at such place as shall be selected by the General Partner.

Acceptance : The limited partnership interests agreed to subscribe for shall not be deemed to be issued to, or owned by, the Second Subscriber until the Second Subscription is accepted by the General Partner in accordance with the Second Subscription Agreement.

The capital commitment in the amount of US\$30,000,000 (approximately equivalent to HK\$234,000,000) corresponds with the limited partnership interests agreed to subscribe for in the Second Partnership and was determined after arm's length negotiations between the parties. The capital commitment will be settled in cash and funded by the Group's internal resources.

### **The Second Limited Partnership Agreement**

A brief summary of certain principal terms of the Second Limited Partnership Agreement is as follows:

Name of the Second Partnership	:	Banner Ridge Secondary Fund IV (Offshore), LP
Term	:	The Second Partnership has a term of 10 years from 15 June 2021 but the General Partner may authorize a one-year extension thereof without the consent of the Limited Partners and may thereafter authorize a subsequent one-year extension thereof without the consent of the Limited Partners.
Scope	:	The Second Partnership has been organized for the object and purpose of, including through its ownership in the Principal Fund, among other things, investing in securities primarily issued by investment funds that are managed by independent portfolio managers.
Parties	:	<ul style="list-style-type: none"> <li>(1) General Partner, as the general partner and attorney of the limited partners of the Second Partnership including the Subscriber</li> <li>(2) Special Limited Partner</li> <li>(3) Limited Partners (including the Second Subscriber)</li> <li>(4) Maurant Nominee (Cayman) Limited, the initial limited partner</li> </ul>
Transferability of interests	:	A Limited Partner may not transfer all or any portion of its limited partnership interests in the Second Partnership without the prior written consent of the General Partner except as otherwise provided in the Limited Partnership Agreement.
Management	:	The management, control and operation of the Second Partnership shall be vested in the General Partner which has the sole discretion to make investments on behalf of the Second Partnership and to exercise certain powers.
Management fee	:	The Subscriber is required to pay to the Second Partnership a management fee in an amount equal to one-fourth of 1.5% of the aggregate capital commitment (US\$30,000,000) (approximately equivalent to HK\$234,000,000), which will be payable quarterly in arrears for each calendar quarter. For each complete fiscal year following the commitment period (commencing on 15 June 2021 and ending five (5) years following the final closing date), the annual rate of the management fee will be reduced by 10% of the applicable rate of the management fee for the prior year.

Distributions : During the Commitment Period, the amount and timing of any distributions by the Second Partnership shall be determined by the General Partner and such determinations shall be conclusive and binding upon the Second Partnership and the Partners.

Distribution to each class of Limited Partnership Interests will be made in the defined priority as set out in the Second Limited Partnership Agreement.

#### **4. INFORMATION ON THE SUBSCRIBERS AND THE GROUP**

Each of the First Subscriber and the Second Subscriber is indirectly wholly-owned by the Company and their principal business activity is investment holding. 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 operation and electronic toll collection.

#### **5. INFORMATION ON THE PARTNERSHIPS, THE GENERAL PARTNER, THE SPECIAL LIMITED PARTNER, THE INITIAL LIMITED PARTNERS AND THE INVESTMENT MANAGER**

##### **The First Partnership**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires:

(a) the First Partnership is a Delaware limited partnership, and its principal business activity is to make investments, primarily secondary investments to the extent that, in the reasonable, good faith discretion of the General Partner, (i) the Principal Fund has exhausted its capital available for such investments, (ii) the Principal Fund has acquired as large a position as is desirable or prudent, or (iii) such investment is not otherwise suitable for the Principal Fund but is appropriate for the First Partnership;

(b) the General Partner, is a company incorporated in Delaware with limited liability and registered as a foreign company in the Cayman Islands, and its principal business activity is to manage, control and operate the First Partnership;

(c) the Special Limited Partner is a company incorporated in Delaware with limited liability, and its principal business activity is to receive the performance allocation, if any, from the First Partnership and affiliated entities;

(d) the initial limited partner of the First Partnership is Mr. Anthony Cusano, a Co-Founder and Managing Partner at Banner Ridge, who is the chairman of the investment committee and is responsible for sourcing and executing transactions across the firm's investment products; and

(e) the Investment Manager is a Delaware limited partnership, and its principal business activity is to serve as investment manager to provide discretionary advisory services to private funds and special purpose vehicles.

##### **The Second Partnership**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires,

(a) the Second Partnership is a Cayman Islands exempted limited partnership, and its principal business activity is to generate superior risk-adjusted returns through targeting niche private equity secondary markets.

(b) the General Partner is a company incorporated in Delaware with limited liability and registered as a foreign company in the Cayman Islands, and its principal business activity is to manage, control and operate the Second Partnership;

(c) the Special Limited Partner is a company incorporated in Delaware with limited liability, and its principal business activity is to receive the performance allocation, if any, from the Second Partnership and affiliated entities;

(d) the initial limited partner of the Second Partnership is Mourant Nominees (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability, and its principal business activity is to act as a nominee entity; and

(e) the Investment Manager is a Delaware limited partnership, and its principal business activity is to serve as investment manager to provide discretionary advisory services to private funds and special purpose vehicles.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the General Partner, the Special Limited Partner, the initial limited partner (i.e., Mr. Anthony Cusano for the First Partnership and Mourant Nominees (Cayman) Limited for the Second Partnership), other Limited Partners and the Investment Manager of the First Partnership and the Second Partnership, and their respective ultimate beneficial owners are Independent Third Parties.

## **6. REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS**

In line with its development strategy, the main purpose of the Two Subscriptions is to diversify the Group's investment portfolio with an aim of enhancing profitability.

The Directors consider that the terms of the subscription agreements and the limited partnership agreements in connection with the Two Subscriptions and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **7. LISTING RULES IMPLICATIONS**

Pursuant to the relevant requirements of Chapter 14 of the Listing Rules, each of the First Subscription and the Second Subscription on a stand-alone basis did not constitute a discloseable transaction of the Company under the Listing Rules at the date of entering into the respective subscription agreement. However, as the highest applicable Percentage Ratio for the Company upon aggregation of the Two Subscriptions is above 5% but less than 25%, the Two Subscriptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements thereunder.

## **8. DEFINITIONS**

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

“Board”	the board of Directors
“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 thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“First Limited Partnership Agreement”	the amended and restated exempted limited partnership agreement of the First Partnership dated 15 June 2021 by and among the General Partner (as the general partner and attorney of the limited partners of the First Partnership including the First Subscriber), the Limited Partners, Special Limited Partner and Mr. Anthony Cusano as the initial limited partner, as supplemented by the Letter Agreement and as amended and restated from time to time
“First Partnership”	Banner Ridge Secondary Fund IV Co, LP, a Delaware limited partnership
“First Subscriber”	Master Warrior Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly-owned by the Company
“First Subscription”	subscription of limited partnership interests in the First Partnership by the First Subscriber in accordance with the terms of the First Subscription Agreement
“First Subscription Agreement”	the subscription agreement executed on 15 June 2021 by the First Subscriber with the General Partner (for itself and for the First Partnership)
“General Partner”	Banner Ridge Fund IV GP, LLC, a Delaware limited liability company registered as a foreign company in the Cayman Islands
“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
“Independent Third Party(ies)”	independent third party(ies) who is (are) not connected person(s) of the Company and is (are) independent of and not connected with the Company and its connected person(s)
“Investment Manager”	Banner Ridge Partners, LP, a Delaware limited partnership
“Limited Partner(s)”	limited partner(s) of the First Partnership and/or the Second Partnership, as the case may be
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Principal Fund”	Banner Ridge Secondary Master Fund IV, LP, a Delaware limited partnership
“Second Limited Partnership Agreement”	the amended and restated exempted limited partnership agreement of the Second Partnership dated 15 June 2021 by and among the General Partner (as the general partner and attorney of the limited partners of the Second Partnership including the Second Subscriber), the Limited Partners, the Special Limited Partner and Mourant Nominee (Cayman) Limited as the initial limited partner, as supplemented by the Letter Agreement and as amended and restated from time to time
“Second Partnership”	Banner Ridge Secondary Fund IV (Offshore), LP, a Cayman Islands exempted limited partnership

“Second Subscriber”	Phenomenal Combo Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly-owned by the Company
“Second Subscription”	subscription of limited partnership interests in the Second Partnership by the Second Subscriber in accordance with the terms of the Second Subscription Agreement
“Second Subscription Agreement”	the subscription agreement executed on 15 June 2021 by the Second Subscriber with the General Partner (for itself and for the Second Partnership)
“Special Limited Partner”	Banner Ridge IV SP, LLC, a Delaware limited liability company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Two Subscriptions”	The First Subscription and the Second Subscription
“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
“%”	per cent

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

Hong Kong, 16 June 2021

*As at the date hereof, the Board comprises Cheung Chung Kiu, Yeung Hin Chung, John, Yuen Wing Shing, Wong Chi Keung, Leung Wai Fai and Tung Wai Lan, Iris who are executive directors; and Ng Kwok Fu, Luk Yu King, James and 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\$7.8 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.