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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)**

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

#### **THE SUBSCRIPTIONS**

On 15 February 2022, the Subscriber entered into the First Subscription Agreement and the Second Subscription Agreement, pursuant to which the Subscriber agreed to subscribe for limited partnership interests in the First Partnership and the Second Partnership with the capital commitment in the amount of US\$22,500,000 (approximately equivalent to HK\$175,500,000) and US\$7,500,000 (approximately equivalent to HK\$58,500,000) 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 does not constitute a discloseable transaction of the Company under the Listing Rules. 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 TWO SUBSCRIPTIONS**

On 15 February 2022, the Subscriber entered into the First Subscription Agreement and the Second Subscription Agreement, pursuant to which the Subscriber agreed to subscribe for limited partnership interests in the First Partnership and the Second Partnership with the capital commitment in the amount of US\$22,500,000 (approximately equivalent to HK\$175,500,000) and US\$7,500,000 (approximately equivalent to HK\$58,500,000) respectively.

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

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

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

- Parties : (1) the Subscriber; and  
(2) the First General Partner (for itself and as agent and/or attorney-in-fact for each partner of the First Partnership)
- Subscription : The Subscriber agreed (a) to make a capital commitment in an amount of US\$22,500,000 (approximately equivalent to HK\$175,500,000) 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.
- 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 First General Partner.
- Acceptance : The limited partnership interests agreed to subscribe for shall not be deemed to be issued to, or owned by, the Subscriber until the First Subscription is accepted by the First General Partner in accordance with the First Subscription Agreement.

The capital commitment in the amount of US\$22,500,000 (approximately equivalent to HK\$175,500,000) corresponds with the limited partnership interests agreed to subscribe for in the First Partnership by the Subscriber 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 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 : Francisco Partners VII-A, L.P.
- Term : The First Partnership has a term of 10 years from 15 February 2022, but may be extended (i) for up to a maximum of two consecutive one-year periods at the discretion of the First General Partner to permit orderly dissolution and (ii) thereafter for additional one-year periods by the First General Partner with the approval of the Advisory Board or a majority in interest of the Limited Partners subject to early termination upon certain circumstances as set forth in the First Limited Partnership Agreement.
- Purpose : The First Partnership has been organised for the principal purposes of making investments; managing, supervising and disposing of those investments; and, engaging in such other activities incidental or ancillary thereto as the First General Partner deems necessary or advisable.

- Parties : (1) the First General Partner  
(2) the Initial Limited Partner
- Transferability of interests : A Limited Partner may not sell, assign, transfer, pledge, encumber, mortgage, grant a security in or otherwise dispose of all or any of its interest in the First Partnership without the prior written consent of the First General Partner except as otherwise provided in the First Limited Partnership Agreement.
- Management : The management, control and operation of the First Partnership shall be vested in the First General Partner, acting directly or through its duly appointed agents or delegates, including a management company.
- Management fee : The First Partnership shall initially pay to its management company or its designated affiliate in advance an annual fee as compensation for managing the affairs of the First Partnership equal to 1.50% of the aggregate Commitments of all Non-Affiliated Partners (including any Commitments of any Limited Partners admitted, or any increase in Commitments) subject to reductions.
- Distributions : The First General Partner may in its sole discretion (but shall not be required to) cause the First Partnership to make distributions of cash, securities and other property to the First General Partner and the Limited Partners at any time and from time to time in the manner described in and except as otherwise provided in the First Limited Partnership Agreement.

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

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

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

- Parties : (1) the Subscriber; and  
(2) the Second General Partner (for itself and as agent and/or attorney-in-fact for each partner of the Second Partnership)
- Subscription : The Subscriber agreed (a) to make a capital commitment in an amount of US\$7,500,000 (approximately equivalent to HK\$58,500,000) 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.

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 Second General Partner.

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

The capital commitment in the amount of US\$7,500,000 (approximately equivalent to HK\$58,500,000) corresponds with the limited partnership interests agreed to subscribe for in the Second Partnership by the Subscriber 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 : Francisco Partners Agility III-A, L.P.

Term : The Second Partnership has a term of 10 years from 15 February 2022, but may be extended (i) for up to a maximum of two consecutive one-year periods at the discretion of the Second General Partner to permit orderly dissolution and (ii) thereafter for additional one-year periods by the Second General Partner with the approval of the Advisory Board or a majority in interest of the Limited Partners subject to early termination upon certain circumstances as set forth in the Second Limited Partnership Agreement.

Purpose : The Second Partnership has been organised for the principal purposes of making investments; managing, supervising and disposing of those investments; and, engaging in such other activities incidental or ancillary thereto as the Second General Partner deems necessary or advisable.

Parties : (1) the Second General Partner  
(2) the Initial Limited Partner

Transferability of interests : A Limited Partner may not sell, assign, transfer, pledge, encumber, mortgage, grant a security in or otherwise dispose of all or any of its interest in the Second Partnership without the prior written consent of the Second General Partner except as otherwise provided in the Second Limited Partnership Agreement.

- Management : The management, control and operation of the Second Partnership shall be vested in the Second General Partner, acting directly or through its duly appointed agents or delegates, including a management company.
- Management fee : The Second Partnership shall initially pay to its management company or its designated affiliate in advance an annual fee as compensation for managing the affairs of the Second Partnership equal to 1.50% of the aggregate Commitments of all Non-Affiliated Partners (including any Commitments of any Limited Partners admitted, or any increase in Commitments) subject to reductions.
- Distributions : The Second General Partner may in its sole discretion (but shall not be required to) cause the Second Partnership to make distributions of cash, securities and other property to the Second General Partner and the Limited Partners at any time and from time to time in the manner described in and except as otherwise provided in the Second Limited Partnership Agreement.

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

The Subscriber is indirectly wholly owned by the Company. The principal business activity of the Subscriber and 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 TWO PARTNERSHIPS AND THEIR RESPECTIVE GENERAL PARTNERS AND INITIAL LIMITED PARTNERS**

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

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

- (a) the First Partnership is a Cayman Islands exempted limited partnership organised for the principal purposes of making investments; managing, supervising and disposing of those investments; and, engaging in such other activities incidental or ancillary thereto;
- (b) the First General Partner is a Cayman Islands exempted limited partnership and its principal business activity is to manage, control and operate the First Partnership; and
- (c) the Initial Limited Partner is Mapcal Limited.

##### **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 organised for the principal purposes of making investments; managing, supervising and disposing of those investments; and, engaging in such other activities incidental or ancillary thereto;

(b) the Second General Partner is a Cayman Islands exempted limited partnership and its principal business activity is to manage, control and operate the Second Partnership; and

(c) the Initial Limited Partner is Mapcal Limited.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the First General Partner, the Second General Partner, the Initial Limited Partner and the Limited Partners (other than the Subscriber) and their respective ultimate beneficial owners are Independent Third Parties.

## **6. REASONS FOR AND BENEFITS OF THE TWO 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 does not constitute a discloseable transaction of the Company under the Listing Rules. 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.

## **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 General Partner”               | Francisco Partners GP VII, L.P., a Cayman Islands exempted limited partnership  |
| “First Letter Agreement”              | the letter agreement dated 15 February 2022 by and between the Subscriber and the First General Partner modifying the First Limited Partnership Agreement   |
| “First Limited Partnership Agreement” | the amended and restated exempted limited partnership agreement of the First Partnership dated 15 February 2022 by and between the First General Partner and the Initial Limited Partner, as supplemented by the First Letter Agreement and as amended and restated from time to time |

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| “First Partnership”                    | Francisco Partners VII-A, L.P., a Cayman Islands exempted limited partnership  |
| “First Subscription”                   | subscription of limited partnership interests in the First Partnership by the Subscriber in accordance with the terms of the First Subscription Agreement  |
| “First Subscription Agreement”         | the subscription agreement entered into by the Subscriber with the First General Partner (for itself and as agent and/or attorney-in-fact for each partner of the First Partnership) on 15 February 2022   |
| “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)  |
| “Initial Limited Partner”              | Mapcal Limited, the initial limited partner of the First Partnership and/or the Second Partnership   |
| “Limited Partner(s)”                   | limited partner(s) of the First Partnership and/or the Second Partnership and their respective parallel funds (if any), as the case may be   |
| “Listing Rules”                        | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Second General Partner”               | Francisco Partners Agility GP III, L.P. a Cayman Islands exempted limited partnership  |
| “Second Letter Agreement”              | the letter agreement dated 15 February 2022 by and between the Subscriber and the Second General Partner modifying the Second Limited Partnership Agreement  |
| “Second Limited Partnership Agreement” | the amended and restated exempted limited partnership agreement of the Second Partnership dated 15 February 2022 by and between the Second General Partner and the Initial Limited Partner, as supplemented by the Second Letter Agreement and as amended and restated from time to time |
| “Second Partnership”                   | Francisco Partners Agility III-A, L.P., a Cayman Islands exempted limited partnership  |
| “Second Subscription”                  | subscription of limited partnership interests in the Second Partnership by the Subscriber in accordance with the terms of the Second Subscription Agreement  |
| “Second Subscription Agreement”        | the subscription agreement entered into by the Subscriber with the Second General Partner (for itself and as agent and/or attorney-in-fact for each partner of the Second Partnership) on 15 February 2022   |
| “Stock Exchange”                       | The Stock Exchange of Hong Kong Limited  |

|                       |   |
|-----------------------|---|
| “Subscriber”          | Master Warrior Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly owned by the Company |
| “Two Partnerships”    | The First Partnership and the Second Partnership  |
| “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, 21 February 2022

*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 purposes 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.