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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)

SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTION IN RELATION TO SUBSCRIPTIONS IN FUNDS

Reference is made to the announcement of the Company dated 3 April 2025 in respect of the discloseable transaction relating to the Subscriptions in the Funds (the “Announcement”). Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Board wishes to provide shareholders and potential investors of the Company with additional information regarding the Subscriptions in the Funds as follows:

INTERESTS IN THE FUNDS

Based on information provided by the Funds:

- (i) both Funds are expected to have a wide investor base, as the Funds are intended to continue for an indefinite period of time, offering new Class A Shares to eligible investors on a continuous basis unless terminated, wound up and dissolved; and
- (ii) as of the date of this announcement, the Subscriber has not yet made any capital contributions to the Funds. However, assuming that the full amount of capital commitment by the Subscriber and all other investors in the Funds is contributed to the Funds in one lump sum on the date of this announcement, the Subscriber would hold approximately 44.3% and 8.9% interests in the First Fund and the Second Fund, as of the date of this announcement, respectively. The percentages of the Subscriber’s interests in the Funds are based on the total amount of capital commitments contributed from time to time by the Subscriber relative to those made by all investors of each of the Funds. Given the Funds’ open-ended nature, the Funds’ sizes may increase with further fundraising over time. Assuming no change to the total capital commitments made by the Subscriber and the Funds’ respective existing investors, the Subscriber’s interests in the Funds are expected to decrease as the Funds’ sizes increase with further fundraising.

REASONS AND BENEFITS OF THE SUBSCRIPTIONS

The Directors acknowledged that, while a track record is an important factor in evaluating investments, the absence of a fund-specific track record is a common aspect of investing in new private funds, and past performance may not guarantee future returns. In addition to the factors disclosed in the Announcement, in making their investment decision to subscribe in the Funds, the Directors have conducted assessment of both qualitative and quantitative factors as set out below:

(i) Reputation and experience of the Investment Manager

As set out in the Announcement, the Investment Manager's investment team has a strong reputation and extensive experience in managing similar investments.

Experienced team

The directors of the Investment Manager, namely Mr. Edward Cheung, Mr. Vimbai Gurure and Ms. Yen Yeo Wong are all experienced in funds management. Mr. Edward Cheung has over 10 years of investing experience in global private markets. Mr. Vimbai Gurure and Ms. Yen Yeo Wong have served as independent directors for a wide range of similarly structured investment funds or investment management and advisory companies, bringing substantial experience in governing comparable fund structures. This extensive governance experience of Mr. Vimbai Gurure and Ms. Yen Yeo Wong ensures their capability to exercise sound judgment in the decision-making processes of the Funds and to provide a similar level of oversight for the Funds.

The Company has also noted that the members of the Investment Manager's investment team possess extensive experience in private markets investment and dealmaking, averaging over 10 years each, across leading private investment firms, corporations, and investment consultants and advisors.

Additionally, the Investment Manager may from time to time appoint one or more investment advisors to provide research, advisory, and administrative services related to origination, diligence, structuring, and monitoring of investments, further enhancing the overall decision-making processes of the Funds.

Relationship with top performing fund managers

The Investment Manager's investment team has extensive global private markets investment experience and track record, as well as deep relationships with top performing private equity and private credit fund managers across the globe. This allows the Investment Manager to invest in access-constrained opportunities by leveraging such relationships.

(ii) Track record of the Investment Manager

The Company has reviewed the track record information provided by the Investment Manager's investment team for investments made since 2020 across various investment vehicles.

The Investment Manager's investment team has demonstrated an extensive global private markets investment experience and track record, including having made and managed diversified private markets buyout, growth, structured equity and credit investments (including without limitation (i) capital commitments to commingled, blind pool private investment funds managed by third party managers; (ii) co-investments alongside private investment funds managed by third party managers; and (iii) direct investments) across North America, Europe and Asia totalling over US\$550 million since 2020.

Consistent with the Funds' stated strategy, the investment team has employed a thematic and value-oriented approach to investing in generating its track record, with a particular focus on the following diverse investment verticals: SaaS (software-as-a-service), natural resources and asset management businesses.

The Company has noted in particular, the performance of two private investment vehicles managed by the Investment Manager's investment team focused on investment opportunities in the SaaS vertical: (i) both are placed in the first quartile of funds from their respective vintages based on their respective Net Total Value To Paid In Capital Multiple (Net TVPI), Net Internal Rate of Return (Net IRR) and Net Distribution to Paid In (Net DPI) as measured against benchmark statistics compiled by an independent global investment advisory firm as of 30 September 2024 (which was the latest available information to the Company when considering the Subscriptions); (ii) have also invested in access-constrained

opportunities by leveraging the team's network and relationships with top performing fund managers; and (iii) have achieved double-digit IRR.

(iii) Investment strategy of the Funds, including the target investment size and IRR

As disclosed in the Announcement, the investment strategy of the Funds (which together make up the entirety of the "APES Gelada" investment program) is to invest in global private credit and private equity opportunities and the Funds may effect its investment strategy by investing in a variety of instruments and structures. The Funds will employ a thematic, disciplined and value-oriented approach to private markets investing and aim to create a dynamically managed portfolio with the potential to perform well throughout economic cycles, diversified by sector, industry, geography and vintage.

In particular, the Funds will generally target investments of a size greater than US\$10 million, with the aim of achieving double-digit IRR while also generating current income. Given the Funds' open-ended nature, as the Funds' sizes increase with further fundraising over time, it is expected that the sizes of investments made by the Funds will also correspondingly increase.

(iv) Alternative investment opportunities

The Directors have periodically evaluated a range of alternative investments opportunities, including mutual funds, private funds, public securities, and bank deposits.

The targeted returns of the Funds were evaluated against those of established options, and the Funds represent an attractive choice in view of the potential risk-adjusted returns and an alignment with the Company's current desired investment exposure.

The scale of the Funds also enables exposure to a broader and more diversified range of investments than the Company could efficiently achieve independently. The liquidity terms associated with the Funds offer materially greater flexibility compared to conventional closed-ended fund structures.

The Company has compared the terms and conditions of the Funds and found that the terms and conditions of the Funds are competitive with comparable investment vehicles in the market, ensuring fair and commercially reasonable participation. Current market dynamics favour innovative strategies and access-constrained opportunities, which the Funds are well positioned to capitalize on.

(v) The Company's Investment Strategy

The Group's investment objective is to enhance the value of its treasury management business, and ultimately, to improve returns for shareholders. When making investment or divestment decisions regarding individual financial instruments, the Company considers not only past financial performance, including financial health and dividend policy, but also business prospects in terms of capital appreciation, dividend or interest income, and trading gains. Additionally, the Company takes into account prevailing market sentiments across various sectors and the macroeconomic outlook. Accordingly, in evaluating investment opportunities, the Company adopts a prudent approach, assessing each strictly on its individual merits as they become available, with the aim of achieving consistent risk-adjusted returns for shareholders while continuing to diversify the Group's portfolio, including but not limited to investments in unlisted funds, equity securities and debt securities. The Company considers that the Funds align closely with the Company's long-term investment strategy.

Having considered the reasons and benefits set out in the Announcement and above, the Directors are of the view that the Subscriptions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Saved as disclosed above, all other information as set out in the Announcement remains unchanged. This announcement is supplemental to and should be read in conjunction with the Announcement.

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

Hong Kong, 14 May 2025

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, Leung Yu Ming, Steven and Wong Lung Tak, Patrick who are independent non-executive directors.