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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 ACQUISITION OF 100% INTEREST IN POWER RIGHT INVESTMENTS LIMITED

The Board announces that on 27 November 2008, the Company (as purchaser's guarantor), Gold Harbour (an indirect wholly-owned subsidiary of the Company as purchaser) and China Resources (as vendor) entered into the S&P Agreement, pursuant to which (i) China Resources agreed to sell and Gold Harbour agreed to acquire the Sale Share; (ii) China Resources agreed to sell and assign and Gold Harbour agreed to purchase and take assignment of the Sale Loan for an aggregate consideration of HK\$555 million, payable in cash by the Purchaser to the Vendor at Completion; and (iii) the Company guarantees the Purchaser's performance of its obligations and warranties under the S&P Agreement. The Sale Share represents the entire issued share capital in Power Right and the Sale Loan represents the shareholder's loan due from Power Right to China Resources as of the Completion Date. Power Right is an investment holding company incorporated in the BVI and holds a 39.5% interest in TCTIH, the holding company of TCTC.

As the assets ratio, profits ratio and consideration ratio set out in rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the entering into of the S&P Agreement constitutes a discloseable transaction for the Company under the Listing Rules.

A circular containing further details of the Acquisition and information on the Company will be despatched to the Shareholders as soon as practicable.

THE S&P AGREEMENT

The Company, Gold Harbour and China Resources entered into the S&P Agreement with the following particulars :

Date

27 November 2008

Parties

Vendor : China Resources

Purchaser : Gold Harbour, an indirect wholly-owned subsidiary of the Company

Purchaser's guarantor : the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets to be acquired

Pursuant to the S&P Agreement, (i) China Resources agreed to sell and Gold Harbour agreed to acquire the Sale Share; and (ii) China Resources agreed to sell and assign and Gold Harbour agreed to purchase and take assignment of the Sale Loan. The Sale Share represents the entire issued share capital in Power Right and the Sale Loan represents the entire amount of shareholder's loan due from Power Right to China Resources as of the Completion Date. Power Right is an investment holding company incorporated in the BVI and holds a 39.5% equity interest in TCTIH, the holding company of TCTC (please see below for descriptions of TCTIH and TCTC).

The Company entered into the S&P Agreement to guarantee to the Vendor the performance by the Purchaser of its obligations and warranties under the S&P Agreement.

Consideration

The aggregate consideration for the Sale Share and the Sale Loan is HK\$555 million, of which an amount equal to the nominal amount of the Sale Loan at Completion is attributable as consideration for the Sale Loan and the remainder of the said aggregate consideration is attributable to the Sale Share. The Consideration is payable in cash by the Purchaser to the Vendor at Completion.

The Consideration was determined after arm's length negotiations between the parties to the S&P Agreement and is based on the net asset value of Power Right with reference to the latest audited financial statements and management accounts of Power Right. The Consideration as compared with the total asset value of Power Right as of 30 June 2008 of approximately HK\$502 million represents an approximately 10% premium. Accordingly the Directors consider that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders.

CONDITION PRECEDENT

The Completion is conditional upon (if so required) approval by the Shareholders of the S&P Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules being obtained on or before the Condition Fulfillment Date.

If the above condition has not been fulfilled by 4:00 p.m. on the Condition Fulfillment Date, the S&P Agreement shall lapse and be of no further effect and no party to the S&P Agreement shall have any claim against or liability or obligation to the other parties save in respect of any antecedent breaches of the S&P Agreement.

COMPLETION

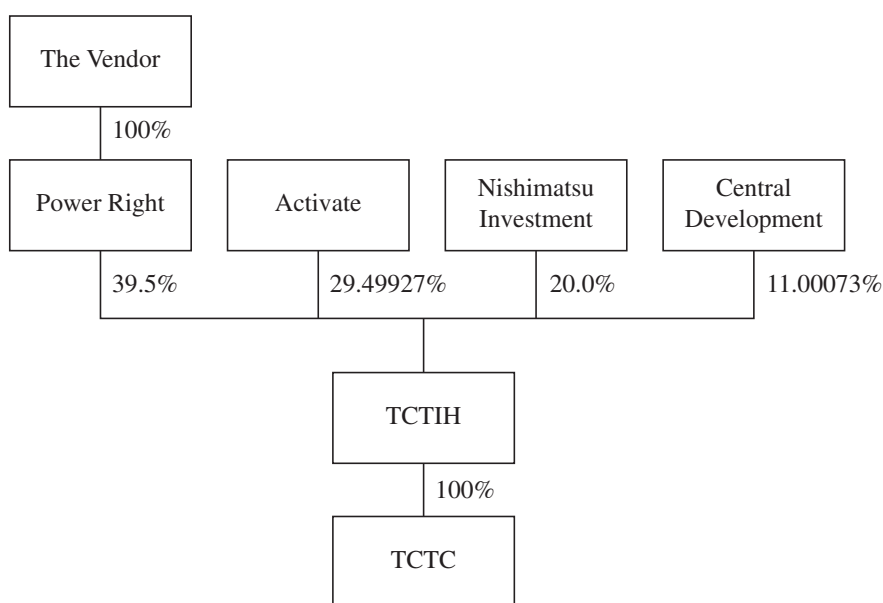
The Completion shall take place on the Completion Date.

INFORMATION ON POWER RIGHT, TCTIH AND TCTC

Power Right is an investment holding company established under the laws of the BVI on 25 July 2007 with limited liability, and holds a 39.5% interest in TCTIH, the holding company of TCTC. It has an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, of which one share, i.e. the Sale Share, has been issued and fully paid up or credited as fully paid up. Power Right is entirely owned by the Vendor as at the date of this announcement.

The audited net asset value of Power Right as at 30 June 2008 was HK\$227,082,929. For the financial period ended on 30 June 2008, the audited net profit before and after taxation and extraordinary items of Power Right were both HK\$29,774,000. TCTC and TCTIH are and will be accounted for in the financial statements of Power Right under the equity accounting method (and not consolidated as its subsidiaries) before and after the Acquisition.

TCTC is principally engaged in the construction, maintenance and operation of the Tate's Cairn Tunnel. TCTC was granted a 30-year franchise by the Government to build and operate the Tate's Cairn Tunnel commencing on 11 July 1988. As at the date of this announcement, the shareholding structure of TCTIH and TCTC is as shown below:-



Upon the Completion, the Company will through the Purchaser have acquired the entire issued share capital in Power Right from the Vendor and will be effectively holding a 39.5% shareholding interest in TCTC.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The core business of the Company is investment holding in transport infrastructures. The Company considers that the steady revenue from TCTC will ultimately create an increased and sustainable stream of value for the Shareholders. This is consistent with the Company's policy of proactively and prudently engaging its financial resources.

The Directors believe that the terms of the S&P Agreement (including the Consideration) are fair and reasonable and in the interests of the Shareholders as a whole.

GENERAL

The Group is principally engaged in motoring school operations, tunnel operations, electronic toll operations and treasury.

Gold Harbour is a company incorporated under the laws of Hong Kong and its principal business is investment holding.

The Vendor is a company incorporated under the laws of Hong Kong and its principal business is investment holding.

As the assets ratio, the profits ratio and the consideration ratio set out in rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the entering into of the S&P Agreement constitutes a discloseable transaction for the Company under the Listing Rules.

A circular containing, among other things, further details of the S&P Agreement, will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

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

“Acquisition”	the acquisition by the Purchaser from the Vendor of the Sale Share and the Sale Loan pursuant to the S&P Agreement
“Activate”	Activate International Limited, a company incorporated under the laws of the BVI with limited liability
“Board”	the board of directors of the Company
“Business Day”	a day (other than Saturday and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which the banks are generally open for business in Hong Kong
“BVI”	British Virgin Islands

“Central Development”	Central Development International Holdings Limited, a company incorporated under the laws of the BVI with limited liability
“China Resources” or “Vendor”	China Resources (Holdings) Company Limited, a company incorporated under the laws of Hong Kong with limited liability
“Company”	The Cross-Harbour (Holdings) Limited, a company with limited liability incorporated under the laws of Hong Kong and the shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition
“Completion Date”	the date when Completion shall take place, being (i) 18 December 2008; or (ii) the 5th Business Day after the date on which the condition precedent to the Acquisition has been satisfied, whichever is later, or such other date as may be agreed in writing between the parties to the S&P Agreement
“Condition Fulfillment Date”	means 31 March 2009, or such later date as may be agreed in writing between the parties of the S&P Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules and references to “connected” and “independent” shall be construed accordingly
“Consideration”	HK\$555 million, being the total consideration payable by the Purchaser to the Vendor for the Sale Share and Sale Loan pursuant to the S&P Agreement
“Director(s)”	the director(s) of the Company
“Gold Harbour” or “Purchaser”	Gold Harbour Investment Limited, a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nishimatsu Investment”	Nishimatsu Investment Limited, a company incorporated under the laws of Hong Kong with limited liability
“Power Right”	Power Right Investments Limited, a company incorporated under the laws of the BVI with limited liability
“Sale Loan”	such amount of the unsecured and non-interest bearing advance payable on demand as shall be outstanding and owing by Power Right to the Vendor as of the Completion Date, which amounted in aggregate to HK\$184,099,413 as of 31 October 2008
“Sale Share”	one share of US\$1.00 par value in the capital of Power Right, representing the entire issued share capital of Power Right
“Shareholder(s)”	holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S&P Agreement”	the sale and purchase agreement dated 27 November 2008 entered into between the Purchaser, the Vendor and the Company in relation to the Acquisition
“TCTC”	Tate’s Cairn Tunnel Company Limited, a company incorporated under the laws of Hong Kong with limited liability
“TCTIH”	Tate’s Cairn Tunnel Investment Holdings Company Limited (formerly known as Draker Investments Limited), a company incorporated under the laws of Hong Kong with limited liability
“US\$”	United States dollars, the lawful currency of the United States of America

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; Lee Ka Sze, Carmelo and Wong Yat Fai who are non-executive Directors; Ng Kwok Fu, Luk Yu King, James and Leung Yu Ming, Steven who are independent non-executive Directors.

By order of the Board
The Cross-Harbour (Holdings) Limited
Yeung Hin Chung, John
Managing Director

Hong Kong, 28 November 2008