

1st
Quarterly Report
2014

For the three months
ended 31 March

CROSBY
Capital Limited

Characteristics of the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited (the "Exchange")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of Crosby Capital Limited collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to Crosby Capital Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this report misleading.

ABOUT CROSBY CAPITAL LIMITED

Crosby Capital Limited (“Crosby” or the “Company” and, together with its subsidiaries, the “Group”) is an independent asset management group listed on the Hong Kong Stock Exchange’s GEM board (HK GEM: 8088).

The Group is engaged in the businesses of asset management and strategic investment.

MANAGEMENT DISCUSSION AND ANALYSIS

During the quarter under review, the Group has continued to engage in the business of asset management business and strategic investment. The Group has also completed the aggregate acquisition of 64.54% equity interest in HMV Ideal Limited and its subsidiaries (the “HMV Ideal Group”).

Our asset management activities comprise mainly fund management business under Shikumen Capital Management (HK) Limited (“Shikumen”). On the other hand, the Group has been actively identifying opportunities in diversifying its portfolio into suitable investment. During the quarter, the Group completed the aggregate acquisition of 64.54% equity interest in HMV Ideal Group. The business of HMV Ideal Group is the development of an online and offline ecosystem of music, video entertainment and lifestyle using the HMV brand. The Group intends to further strengthen and develop the business of HMV Ideal Group and has been identifying and exploring potential investment opportunities to expand its business to, among others, investment in O2O (online to offline) lifestyle and e-commerce business.

We will continue to monitor our businesses and will focus our resources to further strengthen and develop HMV Ideal Group’s business and other potential business opportunities for making attractive returns for the Shareholders as well as providing synergistic value to the existing businesses of the Group.

The Group reported a loss attributable to owners of the Company for the three months under review of US\$0.6 million as compared to that of US\$2.1 million for the corresponding period last year, US\$0.6 million and US\$1.8 million of which are the losses from continuing operations for the three months under review and the corresponding period last year respectively.

Revenue from continuing operations increased to US\$0.8 million for the three months under review from that of US\$0.6 million for the corresponding period last year. Total operating expenses (being other administrative expenses plus other operating expenses) from continuing operations for the three months under review were US\$1 million as compared to US\$1.6 million for the corresponding period last year. Total distribution and selling expenses for the three months under review were US\$0.3 million as compared to Nil for the corresponding period last year.

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The board of directors (the "Board") of the Company is pleased to announce the unaudited consolidated results of the Group for the three months ended 31 March 2014 (the "Review Period"), together with the comparative unaudited figures of the corresponding period in 2013, as follows:

	Notes	(Unaudited)	
		Three months ended 31 March 2014 US\$'000	2013 US\$'000
Continuing operations			
Revenue	3	834	615
Cost of sales		(359)	(147)
Gross profit		475	468
Gain/(Loss) on financial liabilities at fair value through profit or loss		269	(85)
Other income	3	16	35
Distribution and selling expenses		(300)	–
Administrative expenses		(974)	(1,533)
Other operating expenses		(32)	(71)
Loss from operations		(546)	(1,186)
Finance costs		(161)	(625)
Loss before taxation		(707)	(1,811)
Taxation	4	–	(8)
Loss for the period from continuing operations		(707)	(1,819)
Discontinued operations			
Loss for the period from discontinued operations	6	–	(302)
Loss for the period		(707)	(2,121)

		(Unaudited)	
		Three months ended 31 March	
		2014	2013
Notes		US\$'000	US\$'000
Attributable to:			
Owners of the Company			
	Loss for the period from continuing operations	(628)	(1,819)
	Loss for the period from discontinued operations	-	(232)
		(628)	(2,051)
Non-controlling interests			
	Loss for the period from continuing operations	(79)	-
	Loss for the period from discontinued operations	-	(70)
	Loss for the period	(707)	(2,121)
Loss per share attributable to owners of the Company during the period			
		7	
		US cents	US cents
Basic			
	Continuing operations	(0.15)	(1.32)
	Discontinued operations	-	(0.17)
		(0.15)	(1.49)
Diluted			
	Continuing operations	N/A	N/A
	Discontinued operations	N/A	N/A
		N/A	N/A

UNAUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	(Unaudited)	
	Three months ended 31 March	
	2014	2013
	US\$'000	US\$'000
Loss for the period	(707)	(2,121)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale investments		
Surplus on revaluation	–	5
Exchange differences on translating a foreign operation	(6)	5
Other comprehensive income for the period, net of tax	(6)	10
Total comprehensive income for the period, before and net of tax	(713)	(2,111)
Attributable to:		
Owners of the Company	(634)	(2,041)
Non-controlling interests	(79)	(70)
Total comprehensive income for the period, before and net of tax	(713)	(2,111)

NOTES TO THE UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

1. BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 21 February 2000 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and, its principal place of business is Unit 502, 5th Floor, AXA Centre, 151 Gloucester Road, Wanchai, Hong Kong. The Company's shares have been listed on The Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 17 April 2000. The Company and its subsidiaries are together referred to as the Group hereinafter.

The Company acts as the holding company of the Group. The Group is principally engaged in the businesses of asset management and strategic investment.

The unaudited consolidated financial information has been prepared in accordance with International Financial Reporting Standards ("IFRSs") which collective term includes all applicable individual International Financial Reporting Standards and Interpretations approved by the International Accounting Standards Board (the "IASB") and all applicable individual International Accounting Standards and Interpretations as originated by the Board of the International Accounting Standards Committee and adopted by IASB. The unaudited consolidated financial information also complies with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("GEM Listing Rules").

The unaudited consolidated financial information has been prepared under historical cost basis except for certain financial instruments classified as available-for-sale investments and at fair value through profit or loss, which are measured at fair value.

It should be noted that accounting estimates and assumptions are used in preparation of the unaudited consolidated financial information. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the unaudited consolidated financial information, are consistent with those set out in 2013 Annual Report.

This consolidated financial information for the three months ended 31 March 2014 is unaudited but has been reviewed by the audit committee of the Company.

2.1 PRINCIPAL ACCOUNTING POLICIES

This unaudited consolidated financial information should be read in conjunction with the Company's 2013 Annual Report, which has been prepared in accordance with IFRSs.

The principal accounting policies adopted to prepare the unaudited consolidated financial information are consistent with those adopted to prepare to the Company's 2013 Annual Report.

The Group has not early adopted the new/revised IFRSs which have been issued but are not yet effective. The Group is in the process of making an assessment of the potential impact of these new/revised IFRSs and the Directors so far anticipated that the application of these new/revised IFRSs will have no material impact on the Group's unaudited consolidated financial information.

2.2 ACQUISITION OF A SUBSIDIARY

Acquisition of 64.54% issued share capital of HMV Ideal Limited (formerly known as Billion Merit Investments Limited) and its subsidiaries (the "HMV Ideal Group").

On 10 December 2013, the Group entered into a subscription agreement (the "Subscription Agreement") with HMV Asia Limited, Ms. Wong Nga Fan, Ms. Butt, Emily Oy-Fong and Mr. Wu King Shiu, Kelvin, as the vendors (the "Sellers"), pursuant to which the Group acquired approximately 11.36% of the issued share capital of HMV Ideal Limited at a cash consideration of HK\$10,000,000. The Subscription Agreement was completed on the same day as the signing of the Subscription Agreement, i.e. 10 December 2013.

On 10 December 2013, the Group entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with the Sellers simultaneously with the Subscription Agreement, pursuant to which the Group further acquired approximately 53.18% of the issued share capital of HMV Ideal Limited at a consideration of HK\$46,800,000 (the "Consideration"). The Consideration was satisfied by the Company by way of allotment and issue of 60,000,000 ordinary shares of the Company (the "Consideration shares") to the Sellers.

The Sale and Purchase Agreement was completed on 24 February 2014. As such, the Group owns 64.54% of the issued share capital of HMV Ideal Limited in total and HMV Ideal Limited became a subsidiary of the Group.

Further details of these two transactions are set out in the Company's Circular dated 28 January 2014.

3. REVENUE AND OTHER INCOME

Revenue from the continuing operations comprises fund management fee and the businesses from HMV Ideal Group.

Other income mainly comprises interest income, rental income and marketing income.

4. TAXATION

No Hong Kong profits tax has been provided for the three months ended 31 March 2014 as the Group did not make any assessable profit for the period.

Taxation for the three months ended 31 March 2013 represented under-provision of Hong Kong profits tax provided at the rate of 16.5% on the assessable profits arising in Hong Kong in prior year.

No recognition of potential deferred tax assets relating to tax losses of the Group has been made as the recoverability of the potential tax assets is uncertain.

5. MOVEMENTS IN RESERVES

	Share premium US\$'000	Capital reserve US\$'000	Capital redemption reserve US\$'000	Employee share-based compensation reserve US\$'000	Investment revaluation reserve US\$'000	Foreign exchange reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
At 1 January 2014 (Audited)	27,294	271	77	4,629	-	30	(35,222)	(2,921)
Employee share-based compensation	-	-	-	10	-	-	-	10
Issuance of new shares	5,400	-	-	-	-	-	-	5,400
Transactions with owners	5,400	-	-	10	-	-	-	5,410
Loss for the period	-	-	-	-	-	-	(628)	(628)
Other comprehensive income:								
Exchange differences on translating a foreign operation	-	-	-	-	-	(6)	-	(6)
Total comprehensive income for the period	-	-	-	-	-	(6)	(628)	(634)
At 31 March 2014 (Unaudited)	32,694	271	77	4,639	-	24	(35,850)	1,855
At 1 January 2013 (Audited)	438	271	77	4,430	218	6	(24,431)	(18,991)
Employee share-based compensation	-	-	-	66	-	-	-	66
Transactions with owners	-	-	-	66	-	-	-	66
Loss for the period	-	-	-	-	-	-	(2,051)	(2,051)
Other comprehensive income:								
Available-for-sale investments	-	-	-	-	5	-	-	5
Surplus on revaluation	-	-	-	-	5	-	-	5
Exchange differences on translating a foreign operation	-	-	-	-	-	5	-	5
Total comprehensive income for the period	-	-	-	-	5	5	(2,051)	(2,041)
At 31 March 2013 (Unaudited)	438	271	77	4,496	223	11	(26,482)	(20,966)

6. DISCONTINUED OPERATIONS

	(Unaudited)	
	Three months ended 31 March 2014 US\$'000	2013 US\$'000
Revenue	–	–
Cost of sales	–	–
Gross profit	–	–
Loss on financial assets at fair value through profit or loss	–	(5)
Other income	–	26
Administrative expenses	–	(210)
Other operating expenses	–	(147)
Loss from operations	–	(336)
Share of profit of a jointly controlled entity	–	34
Loss before taxation	–	(302)
Taxation	–	–
Loss for the period	–	(302)

7. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic loss per share

Basic loss per share is calculated by dividing consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	(Unaudited)	
	Three months ended 31 March 2014	2013
(US\$'000)		
Consolidated loss attributable to owners of the Company		
Continuing operations	(628)	(1,819)
Discontinued operations	–	(232)
	(628)	(2,051)
(Number)		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	408,561,967	137,779,206
(US cents per share)		
Basic loss per share		
Continuing operations	(0.15)	(1.32)
Discontinued operations	–	(0.17)
	(0.15)	(1.49)

(b) Diluted loss per share

No diluted loss per share for the three months ended 31 March 2014 and 31 March 2013 are shown, as the outstanding share options, convertible bonds, warrants and redeemable convertible preference shares are anti-dilutive or have no dilutive effect.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2014 and 31 March 2013.

DISCLOSURE OF INTERESTS

(a) Directors

As at 31 March 2014, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

(i) Interests in the ordinary shares of the Company

Name of Director	Personal interest	Family interest	Corporate interest	Aggregate long position in ordinary shares of the Company	Percentage which the aggregate long position in ordinary shares represents to the total ordinary shares of the Company in issue %
Clive Ng Cheang Neng (Note)	-	-	3,300,000	3,300,000	0.74

Note: Fortune Builder Limited ("Fortune Builder") owns 3,300,000 ordinary shares of the Company. The entire issued share capital of Fortune Builder is beneficially wholly owned by Mr. Clive Ng Cheang Neng, the Chairman and Executive Director of the Company. Accordingly, he is deemed to be interested in these shares through his 100% interests in Fortune Builder.

(ii) **Interests in the redeemable convertible preference shares ("RCPS") of the Company**

Name of Director	Personal interest	Family interest	Corporate interest	Aggregate long position in RCPS of the Company	Percentage which the aggregate long position in RCPS represents to the total RCPS of the Company in issue %
Clive Ng Cheang Neng (Note)	-	-	895,900	895,900	8.94

Note: Fortune Builder owns 895,900 RCPS of the Company, which can be convertible into 17,691,189 ordinary shares at conversion price of HK\$0.79 per share (reset on 14 March 2014) upon full conversion, representing 3.98% of the total ordinary share capital of the Company in issue. The entire issued share capital of Fortune Builder is beneficially wholly owned by Mr. Clive Ng Cheang Neng, the Chairman and Executive Director of the Company. Accordingly, he is deemed to be interested in these shares through his 100% interests in Fortune Builder.

(iii) **Short positions**

None of the Directors held short positions in the shares and underlying shares of the Company or any Associated Corporation.

Save as disclosed above, as at 31 March 2014, none of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provision of the SFO), or which were recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules relating to securities transactions by Directors.

(b) Substantial Shareholders and Other Persons

As at 31 March 2014, the following persons, other than the Directors or chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is expected, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

(i) Interests in the ordinary shares and underlying shares of the Company

Name	Aggregate long position in ordinary shares	Aggregate long position in underlying shares of the Company	The total long position in ordinary shares and underlying shares to the total ordinary share capital of the Company in issue %
Substantial Shareholders			
Able Supreme Management Limited (Note 1)	45,818,745	126,152,658	38.68
Billion Pine International Limited (Note 1)	45,818,745	126,152,658	38.68
Hu Yin (Note 1)	45,818,745	126,152,658	38.68
Main Wealth Enterprises Limited (Note 2)	74,620,421	–	16.78
Proven Bravo Limited (Note 2)	74,620,421	–	16.78
Feng Yuantao (Note 2)	74,620,421	–	16.78
Legend Vantage Limited (Note 3)	57,874,051	–	13.02
Li Guangrong (Note 3)	57,874,051	–	13.02
Li Mau (Note 4 & Note 5)	30,000,000	14,700,000	10.05
Wu King Shiu, Kelvin (Note 4 & Note 5)	30,000,000	14,700,000	10.05
Yang Shengrong	31,719,717	–	7.13
HMV Asia Limited (Note 4)	27,600,000	–	6.21
Unlimited Creativity Holdings Limited	24,358,974	–	5.48
Platinum Century Limited (Note 6)	8,264,102	14,810,126	5.19
Tam Yuk Ching, Jenny (Note 6)	8,264,102	14,810,126	5.19
Other Persons			
Greyhound International Limited (Note 7)	–	52,631,578	11.84
James Wu Ting Fai (Note 7)	–	52,631,578	11.84

Notes:

1. Able Supreme Management Limited ("**Able Supreme**") held 45,818,745 ordinary shares and 126,152,658 ordinary shares will be allotted and issued upon full conversion of 6,388,500 RCPS at conversion price of HK\$0.79 per share (reset on 14 March 2014). The entire issued share capital of Able Supreme is held by Billion Pine International Limited, which in turn is beneficially wholly owned by Mr. Hu Yin. Accordingly, he is deemed to be interested in these shares through his 100% indirect interests in Able Supreme.
2. Main Wealth Enterprises Limited ("**Main Wealth**") owns 74,620,421 ordinary shares. The entire issued share capital of Main Wealth is held by Proven Bravo Limited, which in turn is beneficially wholly owned by Mr. Feng Yuantao. Accordingly, he is deemed to be interested in these shares through his 100% indirect interests in Main Wealth.
3. Legend Vantage Limited ("**Legend Vantage**") owns 57,874,051 ordinary shares. Mr. Li Guangrong is deemed to be interested in these shares through his 100% interests in Legend Vantage.
4. HMV Asia Limited ("**HMV Asia**") owns 27,600,000 shares and Mr. Wu King Shiu, Kelvin ("**Mr. Wu**") owns 2,400,000 shares. 93.75% of the shares of HMV Asia are held by Ms. Li Mau ("**Ms. Li**"), the spouse of Mr. Wu. Accordingly, Ms. Li is deemed to be interested in the shares held by HMV Asia and Mr. Wu is deemed to be interested in the Shares held by HMV Asia.
5. Mr. Wu is also interested in 14,700,000 underlying shares. Ms. Li, as the spouse of Mr. Wu, is deemed to be interested in these underlying shares for the purpose of the SFO.
6. Platinum Century Limited ("**Platinum Century**") held 8,264,102 ordinary shares and 14,810,126 ordinary shares will be allotted and issued upon full conversion of 750,000 RCPS at conversion price of HK\$0.79 per share (reset on 14 March 2014). Ms. Tam Yuk Ching, Jenny is deemed to be interested in these shares through her 100% interests in Platinum Century.
7. Greyhound International Limited ("**Greyhound International**") owns 52,631,578 ordinary shares which will be allotted and issued upon full conversion of the outstanding convertible bonds for a principal sum of HK\$40,000,000 at conversion price of HK\$0.76 per share (reset on 24 February 2014). Mr. James Wu Ting Fai is deemed to be interested in these shares through his 100% interests in Greyhound International.

(ii) **Short positions**

No person held short positions in the Shares and Underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Save as disclosed above, as at 31 March 2014, the Directors of the Company were not aware of any other person who had an interest or short position in the Shares and Underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at 31 March 2014, no other person had interests which were recorded in the register required to be kept under section 336 of the SFO.

(c) Share Options

The Company adopted a former Share Option Scheme on 27 March 2002 (the "2002 Share Option Scheme") for a term of 10 years from its adoption date and the 2002 Share Option Scheme was expired on 26 March 2012. As at 31 March 2014, there were a total of 9,819,387 share options granted and outstanding under the 2002 Share Option Scheme, of which the holders were entitled to subscribe for a total of 9,819,387 Shares.

Share options granted under the Company's 2002 Share Option Scheme are exercisable as follows:

- (a) the first 30% of the options between the first and tenth anniversary of the date of grant;
- (b) the next 30% of the options between the second and tenth anniversary of the date of grant; and
- (c) the remaining options between the third and tenth anniversary of the date of grant.

The following table sets out information relating to the 2002 Share Option Scheme:

Date of grant (dd/mm/yyyy)	Exercise price HK\$	Exercise period (dd/mm/yyyy)	Number of Share Options				
			Balance as at 1 January 2014	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Balance as at 31 March 2014
24/03/2006	57.054	24/03/2007 to 23/03/2016	269,916	-	-	-	269,916
26/04/2006	57.054	26/04/2007 to 25/04/2016	809,756	-	-	-	809,756
29/01/2007	27.045	29/01/2008 to 28/01/2017	134,956	-	-	-	134,956
11/02/2008	13.337	11/02/2009 to 10/02/2018	708,543	-	-	-	708,543
29/12/2008	1.334	29/12/2009 to 28/12/2018	269,916	-	-	-	269,916
07/10/2010	1.171	07/10/2011 to 06/10/2020	2,321,300	-	-	-	2,321,300
16/03/2012	1.206	16/03/2013 to 15/03/2022	4,325,000	-	-	-	4,325,000
14/05/2012	1.136	14/05/2013 to 13/05/2022	980,000	-	-	-	980,000
			9,819,387	-	-	-	9,819,387

No option was lapsed upon expiry of the life of the options during the three months ended 31 March 2014.

No option granted under the 2002 Share Option Scheme had been exercised during the three months ended 31 March 2014.

The Company has adopted a new share option scheme on 15 April 2014 (the "New Share Option Scheme"). For details, please refer to the Company circular dated 28 March 2014.

(d) Competing Interests

So far as the Directors are aware, none of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) or their respective associates have any interests in a business which competes or may compete with the business of the Group.

AUDIT COMMITTEE

The Company established an audit committee on 31 March 2000 with the written terms of reference. The terms of reference are available on the Company's website (www.crosbycapitallimited.com). The Audit Committee comprises three Independent Non-Executive Directors, Messrs. Yuen Kwok On (Chairman), Shi Jinsheng and Sin Hendrick. The duties of the Audit Committee include: managing the relationship with the Group's external auditor, reviewing the financial information of the Company, and overseeing the Company's financial reporting process and internal control systems. The Audit Committee reports its work, findings and recommendations to the Board after each meeting.

The Audit Committee meets at least quarterly with the most recent meeting held on 8 May 2014. The unaudited consolidated financial information of the Company for the three months ended 31 March 2014 has been reviewed by the Audit Committee.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the three months ended 31 March 2014 and 31 March 2013. Neither the Company, nor any of its subsidiaries, has purchased or sold any of the Company's listed securities during the three months ended 31 March 2014 and 31 March 2013.

By Order of the Board
CROSBY CAPITAL LIMITED
Nelson Tong Naiyi
Executive Director

Hong Kong, 8 May 2014

As at the date of this report, the Directors of the Company are:

Executive Directors: Clive Ng Cheang Neng, Nelson Tong Naiyi,
Liu Guang He and Stephen Shiu Junior

Independent Non-Executive Directors: Shi Jinsheng, Sin Hendrick and Yuen Kwok On