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CROSBY

CROSBY CAPITAL LIMITED

(高誠資本有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8088)

VOLUNTARY ANNOUNCEMENT IN RESPECT OF A POSSIBLE JOINT VENTURE

This announcement is made by Crosby Capital Limited (the “**Company**”) voluntarily.

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 21 January 2015, Prestige Creation Limited (“**Prestige**”), an indirect wholly-owned subsidiary of the Company, entered into a non-legally binding term sheet (the “**Term Sheet**”) with CEA Asia Holdings, LLC (“**CEA Asia**”), a subsidiary of the multinational company, CEA Capital Group, LLC (“**CEA Worldwide**”), for the purpose of setting forth the principal terms of the possible establishment of a joint venture (the “**Proposed Joint Venture**”), which, if formed, is intended to provide business development, strategic services and solutions to content providers in media and entertainment industry, including but not limited to production companies, merchandising and licensing companies, producers, content distributors, and gaming companies. Prestige and CEA Asia are expected to be effectively interested as to 51% and 49% respectively in the Proposed Joint Venture. Pursuant to the Term Sheet, CEA Asia shall be entitled to a one-time conversion of its interests in the Proposed Joint Venture into ordinary shares of the Company (the “**Conversion**”) at any time within 6 months after the third anniversary of the date of the Formal Agreement (as defined below), provided at all times that the Conversion rights shall only be exercised to the extent that it shall not result in CEA Asia (including its affiliates), in aggregate, being interested in greater than 29.9% of the then entire issued share capital of the Company. Further details regarding the Conversion will be further negotiated between the parties and be set out in the Formal Agreement if the Proposed Joint Venture materialises.

* *For identification purpose only*

Reasons for and benefits of the Proposed Joint Venture

The Company, together with its subsidiaries (collectively, the “**Group**”) is engaged in the businesses of asset management and strategic investment.

CEA Worldwide began as a cable television brokerage firm in the United States of America in 1973. Since then, CEA Worldwide and its subsidiaries (collectively, the “**CEA Worldwide Group**”) expanded and focused on the media, entertainment, telecom and technology sectors, having advised on 900 transactions in approximately 60 countries. In addition to investment banking, CEA Worldwide Group has managed several private equity funds with capital under management for approximately US\$1.15 billion. CEA Worldwide Group is also active in merchant banking combining its advisory services with in-house capital.

The Directors believe that the Proposed Joint Venture, if it materialises, will be an important step for the Group to further develop its strategic investment business as well as enhancing its ability in building the online to offline business ecology in the entertainment and lifestyle sectors by leveraging on the experience and network of CEA Worldwide Group. The Directors believe that the Proposed Joint Venture will benefit the Company and its shareholders as a whole.

NATURE OF THE TERM SHEET

The formal agreement which may or may not be entered into by Prestige and CEA Asia in relation to the Proposed Joint Venture (the “**Formal Agreement**”), shall be subject to conditions precedent including satisfactory due diligence and other conditions customary to this type of transaction.

The Term Sheet does not constitute any legally binding commitment in respect of the Proposed Joint Venture, save and except each party agrees to be legally bound by (1) exclusivity for further negotiations of the terms of the Proposed Joint Venture, (2) certain confidentiality obligations, (3) fees and expenses responsibilities and (4) governing law applicable to the Term Sheet, which is the laws of the Hong Kong Special Administrative Region of the People’s Republic of China. The consummation of the Proposed Joint Venture is subject to, among others, the execution and completion of the Formal Agreement.

Prestige and CEA Asia have agreed to negotiate the Formal Agreement and aim to sign the Formal Agreement on or before 1 March 2015.

GENERAL

The Board wishes to emphasise that no binding agreement in relation to the Proposed Joint Venture has been entered into as at the date of this announcement. The Proposed Joint Venture is subject to the entering into of definitive agreements and therefore may or may not materialise. The shareholders and potential investors of the Company are advised to exercise caution in the dealing in the Shares.

By order of the Board
CROSBY CAPITAL LIMITED
Wu King Shiu, Kelvin
Executive Director

Hong Kong, 21 January 2015

As at the date of this announcement, the Directors are:

*Executive Directors: Chang Tat Joel, Ho Gilbert Chi Hang, Huang Kenian,
Wang Dayong and Wu King Shiu, Kelvin*

Non-Executive Director: Stephen Shiu Junior

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particular given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement 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 announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.crosbycapitallimited.com.