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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Crosby Capital Limited (the “Company”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSED BONUS ISSUE OF SHARES,
CHANGE IN BOARD LOT SIZE;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of the Company to be held at 3/F., Nexus Building, 77 Des Voeux Road Central, Central, Hong Kong on Thursday, 8 January 2015 at 10:30 a.m., is set out on pages 12 to 13 of this circular. Whether or not you propose to attend the meeting, you are advised to complete the form of proxy attached to the notice of the extraordinary general meeting in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Units 1&2, 29/F., The Hennessy, 256 Hennessy Road, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock 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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EXPECTED TIMETABLE

The expected timetable relating to the Bonus Issue and Change in Board Lot Size is as follows:

Event	Date and Time 2015 (Hong Kong time)
Latest time for lodging form of proxy for EGM (in any event not less than 48 hours prior to time appointed for the holding of the EGM or any adjournment thereof)	10:30 a.m., Tuesday, 6 January
Date and time of EGM	10:30 a.m., Thursday, 8 January
Publication of the announcement of the results of the EGM in respect of the approval of the Bonus Issue	Thursday, 8 January
Last day of trading in Shares on a cum-entitlement basis	Friday, 9 January
First day of trading in Shares on an ex-entitlement basis	Monday, 12 January
Latest time for lodging transfer forms of Shares to qualify for the Bonus Issue	4:30 p.m., Tuesday, 13 January
Closure of register of members	Wednesday, 14 January to Friday, 16 January (both days inclusive)
Record Date	Friday, 16 January
Register of members re-opens	Monday, 19 January
Despatch of share certificates for Bonus Shares	Tuesday, 27 January

EXPECTED TIMETABLE

Last day for trading of the Shares

in board lot of 4,000 Shares Tuesday, 27 January

Dealings in Bonus Shares commence Wednesday, 28 January

Effective date and time of change in board lot size

from 4,000 Shares to 8,000 Shares 9:00 a.m., Wednesday, 28 January

All times and dates in this circular refer to Hong Kong local times and dates. Dates or deadlines specified in this circular for events in the expected timetable above are indicative only and may be extended or varied. Any changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate.

DEFINITIONS

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

“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares to the Qualifying Shareholder(s) on the basis of five (5) Bonus Shares for every one (1) existing Share held on the Record Date
“Bonus Share(s)”	new Share(s) to be allotted and issued under the Bonus Issue by the Company
“Cayman Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size for trading in the Shares on GEM from 4,000 Shares to 8,000 Shares
“Company”	Crosby Capital Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the proposed Bonus Issue
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

DEFINITIONS

“HMV HK”	HMV Hong Kong Limited, a company incorporated in Hong Kong with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	17 December 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Mr. Chang”	Mr. Chang Tat Joel, an executive Director
“Mr. Ho”	Mr. Ho Gilbert Chi Hang, an executive Director
“Mr. Wu”	Mr. Wu King Shiu, Kelvin, an executive Director
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) who is/are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Overseas Shareholders” in this circular
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date is/are outside Hong Kong
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company on the Record Date (excluding the Non-Qualifying Shareholder(s)) and who are entitled to the Bonus Issue
“Record Date”	Friday, 16 January 2015, being the record date for the purpose of determination of entitlement to the Bonus Issue of each Qualifying Shareholder
“Share(s)”	ordinary share(s) of nominal value of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America

CROSBY
CROSBY CAPITAL LIMITED
(高誠資本有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8088)

Executive Directors:

Chang Tat Joel
Ho Gilbert Chi Hang
Huang Kenian
Wang Dayong
Wu King Shiu, Kelvin

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Non-executive Director:

Stephen Shiu Junior

*Head Office and Principal
place of business in Hong Kong:*

Units 1&2, 29/F.
The Hennessy
256 Hennessy Road
Wanchai
Hong Kong

Independent non-executive Directors:

Shi Jinsheng
Sin Hendrick
Yuen Kwok On

19 December 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSED BONUS ISSUE OF SHARES,
CHANGE IN BOARD LOT SIZE;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 10 December 2014, pursuant to which the Board announced the proposed Bonus Issue and Change in Board Lot Size.

The purpose of this circular is to provide you with information relating to the Bonus Issue and the Change in Board Lot Size and to give you notice of the EGM.

* For identification purpose only

LETTER FROM THE BOARD

PROPOSED BONUS ISSUE OF SHARES

The Board proposes a Bonus Issue to the Qualifying Shareholders on the basis of five (5) Bonus Shares for every one (1) existing Share held by the Qualifying Shareholders on the Record Date. The Bonus Shares, upon allotment and issue, will be credited as fully paid at par by way of capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. The terms and conditions of the Bonus Issue are set out below.

Basis of Bonus Issue

Subject to the conditions set out under the paragraph headed “Conditions of the Bonus Issue” below having been fulfilled, the Bonus Shares will be issued and credited as fully paid at par on the basis of five (5) Bonus Shares for every one (1) existing Share held by the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date.

On the basis of 473,173,057 existing Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased before the Record Date, it is anticipated that 2,365,865,285 Bonus Shares will be allotted and issued under the Bonus Issue. The Bonus Shares will be credited as fully paid at par by way of capitalisation of the amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. After the completion of the Bonus Issue, there will be a total of 2,839,038,342 Shares in issue as enlarged by the allotment and issue of the Bonus Shares.

The Company has been advised by its Cayman Islands legal advisers that the use of share premium to fund the Bonus Issue would not be considered a reduction of capital under the Cayman Companies Law as capital solely relates to the aggregate par value of a company’s shares. Share premium is distributable under the Cayman Companies Law and, accordingly, any share premium applied towards the crediting as fully paid at par of the Bonus Shares would result in a corresponding reduction in the amount available for distribution to shareholders under the Cayman Companies Law.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the EGM approving the Bonus Issue;
- (b) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Bonus Shares; and
- (c) the compliance with the relevant legal procedures and requirements under the GEM Listing Rules and the laws of Cayman Islands (if any) to effect the Bonus Issue.

LETTER FROM THE BOARD

Application for listing of Bonus Shares and dealings

An application will be made to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Bonus Shares to be issued pursuant to the Bonus Issue. As at the Latest Practicable Date, there is no equity or debt securities of the Company listed or dealt in on any stock exchange other than the Stock Exchange or is listing or permission to deal in the equity or debt securities being or proposed to be sought from any stock exchange other than the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Bonus Shares on Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of dealings in the Bonus Shares respectively on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The new Bonus Shares are not new class of securities to be listed and accordingly no arrangements are required to be made to enable the new Bonus Shares to be admitted into CCASS.

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon allotment and issue, will rank pari passu with the Shares then existing in all respects, including the entitlement of receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those Bonus Shares.

On the basis of five (5) Bonus Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlement will arise.

Record Date and closure of register of members

The Bonus Shares will only be allotted and issued to the Qualifying Shareholders. Arrangement for the Non-Qualifying Shareholders are further elaborated in the section headed "Overseas Shareholders" below. The register of members of the Company will be closed from Wednesday, 14 January 2015 to Friday, 16 January 2015, both days inclusive, during which no transfer of Shares will be registered, in order to determine the entitlement of the Shareholders under the Bonus Issue.

Shareholders are reminded that in order to qualify for the Bonus Issue, they must ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m., Tuesday, 13 January 2015.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date.

LETTER FROM THE BOARD

Overseas Shareholders

As at the Latest Practicable Date, based on the register of members of the Company, the Company has thirteen (13) Overseas Shareholders whose registered addresses are located in Canada, United Kingdom, Singapore, Sweden and the United States of America. In compliance with Rule 17.41(1) of the GEM Listing Rules, the Directors have made enquiries with the legal advisers of Canada, United Kingdom, Singapore, Sweden and the United States of America regarding the legal restrictions and regulatory requirements in Canada, United Kingdom, Singapore, Sweden and the United States of America on extending the Bonus Issue to the Overseas Shareholders in Canada, United Kingdom, Singapore, Sweden and the United States of America.

The Company has been advised by legal advisers of Canada, United Kingdom, Singapore, Sweden and the United States of America on the laws of Canada, United Kingdom, Singapore, Sweden and the United States of America that the issuing of the Bonus Shares to the Overseas Shareholders in Canada, United Kingdom, Singapore, Sweden and the United States of America by the Company shall not be subject to any procedures for examination, approval, registration or record filing or other special requirements by the securities exchange or other governmental authorities in Canada, United Kingdom, Singapore, Sweden and/or the United States of America. The Company is not liable for the legality and relevant liability for the Overseas Shareholders' receipt and holding of the Bonus Shares and the Overseas Shareholders shall bear such liability personally. If the Overseas Shareholders are registered as a member of the Company at the close of business on the Record Date, they shall be entitled to the Bonus Shares.

It is the responsibility of the Shareholders (including the Overseas Shareholders) to observe the domestic legal and regulatory requirements applicable to them for the taking up of the Bonus Shares.

The Company will continue to ascertain whether there are any other Overseas Shareholders on the Record Date and will, if necessary, make further enquiries with its legal advisers in other overseas jurisdiction(s) regarding the feasibility of extending the Bonus Issue to such other Overseas Shareholders on the Record Date.

Upon any further enquiries, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

LETTER FROM THE BOARD

Certificates for Bonus Shares

It is expected that certificates for the Bonus Shares (which are not renounceable) will be posted by ordinary post on Tuesday, 27 January 2015 after all the conditions have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. Dealings in the Bonus Shares are expected to commence on Wednesday, 28 January 2015. Each Shareholder will receive one (1) share certificate for all entitled Bonus Shares.

Adjustments of Share Options exercise price and Zero Coupon Convertible Bonds, RCPS and 5% Coupon Convertible Bonds conversion price

As at the Latest Practicable Date, the Company has:

- (i) 32,700,103 outstanding share options (the “**Share Options**”) entitling the holders thereof to subscribe for a total of 32,700,103 Shares at various exercise prices ranging from HK\$0.94 per Share to HK\$57.054 per Share (subject to adjustments, if any);
- (ii) zero coupon convertible bonds (the “**Zero Coupon Convertible Bonds**”) with the outstanding principal amount of approximately HK\$21,000,000 entitling the holders thereof to convert for a total of 27,631,578 Shares at the conversion price of HK\$0.76 per Share (subject to adjustments);
- (iii) redeemable convertible preference shares (the “**RCPS**”) with the outstanding principal amount of approximately US\$979,979 entitling the holders thereof to convert for a total of 193,514,840 Shares at the conversion price of HK\$0.79 per Share (subject to adjustments); and
- (iv) five per cent. coupon convertible bonds (the “**5% Coupon Convertible Bonds**”) with the outstanding principal amount of approximately HK\$175,000,000 entitling the holders thereof to convert for a total of 218,750,000 Shares at the conversion price of HK\$0.80 per Share (subject to adjustments).

Under the relevant terms and conditions of the Share Options, the Zero Coupon Convertible Bonds, the RCPS and the 5% Coupon Convertible Bonds, the Bonus Issue may lead to adjustments to the exercise price and/or conversion price and/or the number of Shares falling to be issued upon the exercise of the Share Options and the conversion rights of the Zero Coupon Convertible Bonds, the RCPS and/or the 5% Coupon Convertible Bonds. The Company will inform the holders of the Share Options, the Zero Coupon Convertible Bonds, the RCPS and/or the 5% Coupon Convertible Bonds of such adjustments by announcement, as and when appropriate.

Save for the Share Options, the Zero Coupon Convertible Bonds, the RCPS and the 5% Coupon Convertible Bonds, as at the Latest Practicable Date, the Company does not have any options outstanding under any share option schemes of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

CHANGE IN BOARD LOT SIZE

In order to increase the value of each board lot of the Shares after the Bonus Issue, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes to change the board lot size for trading in the Shares from 4,000 Shares to 8,000 Shares with effect from 9:00 a.m. on Wednesday, 28 January 2015, subject to the fulfillment of the conditions of the Bonus Issue as set out in the section headed "Conditions of the Bonus Issue" above.

Based on the closing price of HK\$2.43 per existing Share as quoted on the Stock Exchange as at the Latest Practicable Date (equivalent to a theoretical ex-entitlement price of approximately HK\$0.405 per Share upon the allotment of the Bonus Shares), the market value of each board lot of 4,000 Shares is estimated to be approximately HK\$1,620 upon the allotment of the Bonus Shares. With the Change in Board Lot Size to be implemented, the market value per board lot of 8,000 (instead of 4,000) Shares is estimated to be approximately HK\$3,240, based on the theoretical ex-entitlement price of approximately HK\$0.405 per Share. Save as disclosed herein, the Change in Board Lot Size will not affect the rights of the Shareholders. Dealing in the Shares on the Stock Exchange in the new board lot size of 8,000 Shares is expected to commence at 9:00 a.m. on Wednesday, 28 January 2015.

The Change in Board Lot Size will not be expected to result in any odd lots other than those that already exist as one (1) existing board lot of 4,000 existing Shares will become three (3) new board lots of 8,000 Shares.

REASONS FOR AND BENEFITS OF THE PROPOSED BONUS ISSUE AND CHANGE IN BOARD LOT SIZE

The Board proposes the Bonus Issue in recognition of the continual support of the Shareholders and will also enhance the liquidity of the Shares in the market and thereby enlarge the shareholder and capital base of the Company. The Bonus Issue, which is alike a declaration of dividend in the form of shares instead of cash, allows the Company to reserve cash for the business growth of the Group, which may help enhance the value of the Shares in the future and the Shareholders are allowed to participate in such growth by holding the Shares and enjoying the benefit thereof, and at the same time the Company can satisfy the desire of the Shareholders to receive a dividend from the Company as a reward for their long-term support. The Bonus Shares will be credited as fully paid at par by way of capitalisation of a portion of the share premium account, which the Board considers will not adversely affect the financial position and operation of the Group.

LETTER FROM THE BOARD

Based on the closing price of HK\$2.43 per existing Share as quoted on the Stock Exchange on the Latest Practicable Date (equivalent to a theoretical ex-entitlement price of approximately HK\$0.405 per Share upon the allotment of the Bonus Shares), the market value per board lot of 4,000 existing Shares is HK\$9,720. Upon the Bonus Issue and Change in Board Lot Size becoming effective, one (1) board lot of 4,000 existing Shares with a value of HK\$9,720 based on the closing price of the existing Shares as at the Latest Practicable Date will become three (3) board lots of 8,000 Shares, with an aggregate value of HK\$9,720 based on the theoretical ex-entitlement price. After effecting the Bonus Issue and the Change in Board Lot Size, the estimated market value per board lot of 8,000 Shares will be theoretically lowered to approximately HK\$3,240 as explained in the section headed "Change in Board Lot Size" above. The Bonus Issue and the Change in Board Lot Size (when effective) will increase the total number of Shares in issue and correspondingly result in downward adjustment to the trading price of the Shares so that the market value per board lot of Shares can be reduced to appeal to more investors.

The Board believes that the Change in Board Lot Size will help to reduce the overall transaction costs for dealing in the Shares which are calculated on per board lot basis. Accordingly, the Board considers that the implementation of the Bonus Issue together with the Change in Board Lot Size is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

COMPETING INTEREST OF DIRECTORS, CONTROLLING SHAREHOLDERS AND THEIR RESPECTIVE ASSOCIATES

Potential competing interests from HMV HK

HMV HK is indirectly wholly-owned by AID Partners Capital II, L.P.. AID Partners Capital II, L.P. is controlled by AID Partners GP2, Ltd, which is ultimately controlled by Mr. Wu and in which Mr. Ho and Mr. Chang are directors. HMV HK has been granted an exclusive license by HMV (IP) Limited, a third party independent of the Group, to use the well-known brand name "HMV" within the territory of the PRC, Hong Kong, Macau Special Administrative Region, Taiwan and Singapore. HMV HK also operates retail stores in Hong Kong selling music, movie and television series related contents and products.

The Directors do not consider that there is a material overlap of the Group's business of managing the HMV retail store in Central in Hong Kong and the business of HMV HK as set out above, except that the Group and/or HMV HK may benefit from any increase in popularity of the brand name "HMV", which may be contributed by the Group or HMV HK.

The Directors are of the view that any potential conflict of interest would be effectively mitigated given that the operations of the Group and HMV HK are operated separately and independently by the respective board of directors, performing their fiduciary duties and providing their oversight to safeguard the interests of their respective shareholders. In the event of any conflict of interests, Mr. Wu, Mr. Ho and Mr. Chang would be required to abstain from voting on the relevant resolution(s) at meetings of the Board and/or general meetings of the Company (as the case may be), in accordance

LETTER FROM THE BOARD

with the articles of association of the Company, which complies with the GEM Listing Rules.

As at the Latest Practicable Date, save as disclosed above and so far as the Directors were aware, none of the Directors or their respective associates is considered to have interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests, which is required to be disclosed under Rule 11.04 of the GEM Listing Rules.

EGM

The proposed Bonus Issue is subject to the Shareholders' approval at the EGM. As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the GEM Listing Rules to abstain from voting on the resolution regarding the Bonus Issue at the EGM.

A notice convening the EGM is set out on pages 12 to 13 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend and vote at the EGM in person, you are encouraged to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event the instrument appointing the proxy shall be deemed to be revoked.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for the resolution put to vote at the EGM. An announcement on the poll vote results will be published by the Company after the EGM in accordance with the GEM Listing Rules.

RECOMMENDATION

The Directors consider that the Bonus Issue is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution in relation to the Bonus Issue to be proposed at the EGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors 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 the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and should note that the total asset value of the Company will not be affected as a result of the Bonus Issue.

Yours faithfully,
On Behalf of the Board
Wu King Shiu, Kelvin
Executive Director

CROSBY

CROSBY CAPITAL LIMITED

(高誠資本有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8088)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of Crosby Capital Limited (the “Company”) will be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Central, Hong Kong on Thursday, 8 January 2015 at 10:30 a.m., to consider and, if thought fit, to pass with or without amendments, the following resolution:

ORDINARY RESOLUTION

“**THAT**, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, the Bonus Shares (as defined below) to be issued pursuant to this resolution:

- (a) upon the recommendation of the directors of the Company (the “Directors”), an amount standing to the credit of the share premium account of the Company be capitalised and accordingly the Directors be and are hereby authorised and directed to apply such amount in paying up in full at par new ordinary shares of US\$0.01 each in the share capital of the Company (the “**Bonus Share(s)**”), and that such Bonus Shares which shall be allotted and distributed, will be credited as fully paid at par, to and among the shareholders of the Company whose names appear on the register of members of the Company (the “**Register of Members**”) at the close of business on Friday, 16 January 2015 (the “**Record Date**”), except those shareholders whose addresses as shown on the Register of Members at the close of business on the Record Date are in a jurisdiction outside Hong Kong and in respect of whom the Directors consider the exclusion from the Bonus Issue (as defined below) to be necessary or expedient in accordance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “**Non-Qualifying Shareholders**”), on the basis of five (5) Bonus Shares for every one (1) existing ordinary share of US\$0.01 each in the share capital of the Company then held on the Record Date (the “**Bonus Issue**”);
- (b) the Bonus Shares to be issued pursuant to this resolution shall, subject to the memorandum and articles of association of the Company, rank pari passu in all respects with the ordinary shares of US\$0.01 each in the share capital of the Company in issue on the day on which the Bonus Shares are allotted and issued, except that they will not be eligible for the Bonus Issue mentioned in this resolution;

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) the Directors be and are hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences, and distribute the net proceeds of sale, after deduction of expenses, in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and to post to them the remittances therefor at their own risk, unless the amount to be distributed to any such persons is less than HK\$100.00, in which case the Directors be and are hereby authorised to retain such amount for the benefit of the Company; and
- (d) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares.”

By Order of the Board
Crosby Capital Limited
Wu King Shiu, Kelvin
Executive Director

Hong Kong, 19 December 2014

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Head Office and Principal place of business in Hong Kong:
Units 1&2, 29/F.
The Hennessy
256 Hennessy Road
Wanchai, Hong Kong

Notes:

1. A shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead at the meeting in accordance with the Articles of Association of the Company. A proxy need not be a shareholder of the Company but must be present in person to represent the shareholder.
2. To be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed or a certified copy thereof must be deposited with principal place of business of the Company at Units 1&2, 29/F., The Hennessy, 256 Hennessy Road, Wanchai, Hong Kong at least 48 hours before the time appointed for holding the meeting or any adjournment thereof as the case may be and in default thereof the form of proxy and such power or authority shall not be treated as valid.
3. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting if you so wish.

As at the date of this notice, the board of Directors comprises five (5) executive Directors, namely, Chang Tat Joel, Ho Gilbert Chi Hang, Huang Kenian, Wang Dayong and Wu King Shiu, Kelvin; one (1) non-executive Director, namely, Stephen Shiu Junior; and three (3) independent non-executive Directors, namely, Shi Jinsheng, Sin Hendrick and Yuen Kwok On.