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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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 your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Crown International Corporation Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other material facts the omission of which would make any statement contained in this circular misleading.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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### **Crown International Corporation Limited**

**皇冠環球集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 727)**

### **NOTICE OF ANNUAL GENERAL MEETING, RE-ELECTION OF THE RETIRING DIRECTORS, PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND BUY BACK SHARES**

**AND**

### **PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME**

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Capitalised terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed “Definitions” of this circular.

A notice of convening the 2015 AGM to be held at Meeting Room 2 (Lobby level), Business Centre, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 25 September 2015 at 11:00 a.m. is set out on pages 9 to 13 of this circular. If you are unable to attend the 2015 AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at registered office of the Company at Suite 902, 9th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or at the office of the Company’s share registrar, Boardroom Share Registrars (HK) Limited at 31/F., 148 Electric Road, North Point, Hong Kong, as soon as possible but in any event not later than 48 hours before the time for holding the 2015 AGM or its adjournment (excluding any public holiday in Hong Kong). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the 2015 AGM or its adjournment if you so wish. In that event, the form of proxy will be deemed to be revoked.

24 August 2015

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*This circular is prepared in both English and Chinese versions. Should there be any discrepancies, the English version will prevail.*

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## **RESPONSIBILITY STATEMENT**

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This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

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## LETTER FROM THE BOARD

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### **Crown International Corporation Limited** **皇冠環球集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 727)**

*Executive Directors:*

Mr. MENG Jin Long

*(Chairman and Chief Executive Officer)*

Mr. YEUNG Man, Simon

*(Chief Financial Officer)*

*Non-executive Director:*

Mr. LIU Hong Shen

*(Vice Chairman)*

*Independent Non-executive Directors:*

Mr. LONG Tao

Mr. REN Guo Hua

Mr. CHEN Fang

*Registered Office:*

Suite 902, 9th Floor

Central Plaza

18 Harbour Road

Wanchai

Hong Kong

24 August 2015

*To the Shareholders*

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING,  
RE-ELECTION OF THE RETIRING DIRECTORS,  
PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND  
BUY BACK SHARES  
AND  
PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME**

The Board hereby cordially invites you to attend the 2015 AGM to be held on Friday, 25 September 2015 at 11:00 a.m..

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## LETTER FROM THE BOARD

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The 2015 AGM will deal with the following ordinary businesses and special businesses:–

- (1) considering and adopting the audited consolidated financial statements and the respective reports of the Directors and PricewaterhouseCoopers (being the existing independent auditor of the Company) for the year ended 31 March 2015;
- (2) re-election of the retiring Directors;
- (3) re-appointment of the Independent Auditor and to authorise the Board to fix its remuneration;
- (4)
  - (i) granting to the Directors the Share Issue Mandate;
  - (ii) granting to the Directors the Share Buy-back Mandate;
  - (iii) extending the Share Issue Mandate by adding to it the aggregate number of the Shares which may be bought back under the Share Buy-back Mandate;
- (5) authorizing the Board to fix the Directors' remunerations for the year ending 31 March 2016; and
- (6) adoption of the New Share Option Scheme.

Details of the above businesses are set out in the section "Directors' Recommendation for the 2015 AGM" and the Appendices.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, (i) no Shareholder is required to abstain from voting on any resolutions to be proposed at the 2015 AGM; and (ii) as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he/she/it has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her/its Shares to a third party, either generally or on a case-by-case basis.

The 2015 AGM will be an important opportunity for the Board to communicate with the Shareholders. If you are unable to attend the 2015 AGM, we sincerely invite you to appoint a proxy to attend and vote on your behalf.

Yours faithfully  
For and on behalf of the Board  
**MENG Jin Long**  
*Chairman*

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## **DIRECTORS' RECOMMENDATION FOR THE 2015 AGM**

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### **RESOLUTION NUMBERED 1 – CONSIDERING AND ADOPTING THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

An ordinary resolution will be proposed at the 2015 AGM for the purpose of considering and adopting the audited consolidated financial statements and the respective reports of the Directors and the Independent Auditor for the year ended 31 March 2015, which are set out in the Company's annual report published on 30 July 2015.

### **RESOLUTION NUMBERED 2 – RE-ELECTION OF THE RETIRING DIRECTORS**

Pursuant to Article 133 of the Articles of Association, Mr. LIU Hong Shen (“**Mr. Liu**”) shall retire from office by rotation and, being eligible, offer himself for re-election at the 2015 AGM.

As nominated by the Remuneration, Quality and Nominations Committee (the “**RQNC**”), the Board has recommended Mr. Liu to stand for re-election as a Director at the 2015 AGM. Mr. Liu abstained from voting at the relevant Board meeting on the proposition of his recommendation for re-election by the Shareholders.

Pursuant to Article 110 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election automatically at the meeting. However, this requirement is subject to the provisions of the Listing Rules.

Accordingly, Mr. YEUNG Man, Simon (“**Mr. Yeung**”) who was appointed as Director on 18 August 2015, shall retire from the office at the 2015 AGM and being eligible, offer himself for re-election.

The biographical details of the retiring Directors proposed to be re-elected at the 2015 AGM are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

### **RESOLUTION NUMBERED 3 – RE-APPOINTMENT OF INDEPENDENT AUDITOR**

The Board agreed with the view of the audit committee of the Company and recommended that, subject to the Shareholders' approval at the 2015 AGM, PricewaterhouseCoopers be re-appointed as the independent auditor of the Company (“**Independent Auditor**”).

An ordinary resolution will be proposed at the 2015 AGM for the purpose of re-appointing PricewaterhouseCoopers as the Independent Auditor in respect of the Company's financial statements for the year ending 31 March 2016 until the conclusion of the next annual general meeting of the Company, and authorizing the Board to fix its remuneration.

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## **DIRECTORS' RECOMMENDATION FOR THE 2015 AGM**

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### **RESOLUTION NUMBERED 4(I) – SHARE ISSUE MANDATE**

An ordinary resolution will be proposed at the 2015 AGM for the purpose of renewing the Existing Share Issue Mandate granted to Directors to allot, issue and deal with the Shares. The Existing Share Issue Mandate will expire at the conclusion of the 2015 AGM. On the basis that the issued share capital of the Company comprised 2,600,000,000 Shares as at Latest Practicable Date and no further Shares are issued or bought back and cancelled on or before 25 September 2015, being the date of the 2015 AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with up to a maximum of 520,000,000 additional Shares, representing 20% of the issued Shares if the Share Issue Mandate is granted at the 2015 AGM, which will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company (the “AGM”); (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any applicable laws of Hong Kong; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **RESOLUTION NUMBERED 4(II) – SHARE BUY-BACK MANDATE**

An ordinary resolution will be proposed at the 2015 AGM for the purpose of renewing the Existing Share Buy-back Mandate granted to the Directors to buy back Shares. The Existing Share Buy-back Mandate will expire at the conclusion of the 2015 AGM. The Share Buy-back Mandate is subject to a limit equal to 10% of the aggregate number of the issued Shares as at the date of passing this resolution and, if granted, shall be effective until whichever is the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any applicable laws of Hong Kong; and (iii) the date on which such authority is revoked or varied by an ordinary resolution by the Shareholders in a general meeting of the Company.

An explanatory statement in connection with the Share Buy-back Mandate is set out in Appendix III to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Share Buy-back Mandate.

### **RESOLUTION NUMBERED 4(III) – EXTENSION OF SHARE ISSUE MANDATE**

Subject to the passing at the 2015 AGM of the proposed resolutions regarding the Share Issue Mandate and the Share Buy-back Mandate, an ordinary resolution will be proposed at the 2015 AGM to approve the addition to the Share Issue Mandate of the aggregate number of the issued Shares which may be bought back under the Share Buy-back Mandate.

With reference to resolutions numbered 4(I) to 4(III), the Board wishes to state that it has no immediate plans to buy back any Shares or to issue any new Shares, whether for cash or otherwise, pursuant to the relevant mandates.

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## **DIRECTORS' RECOMMENDATION FOR THE 2015 AGM**

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### **RESOLUTION NUMBERED 5 – AUTHORIZATION TO FIX THE DIRECTORS' REMUNERATIONS**

An ordinary resolution will be proposed at the 2015 AGM to authorize the Board to fix the Directors' remunerations for the year ending 31 March 2016.

### **RESOLUTION NUMBERED 6 – ADOPTION OF NEW SHARE OPTION SCHEME**

#### **The Expired Share Option Scheme**

Pursuant to a resolution passed at the annual general meeting of the Company on 3 June 2005, the Company had adopted the Expired Share Option Scheme, pursuant to which the Board was authorised to grant options to eligible participants under the Expired Share Option Scheme.

Under the terms of the Expired Share Option Scheme, it shall be valid and effective, in relation to granting options, for a period of 10 years from 5 June 2005. Hence the Expired Share Option Scheme expired on 4 June 2015 and no further options could be granted pursuant to the Expired Share Option Scheme.

It is proposed by the Directors that at the 2015 AGM, an ordinary resolution will be proposed for the Company to approve and adopt the New Share Option Scheme, which will take effect on the date of its adoption at the 2015 AGM, subject to the Stock Exchange granting approval for the listing of, and dealing in, any Shares fall to be allotted and issued upon the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

The Directors confirm that no further options were granted under the Expired Share Option Scheme upon its expiry.

#### **The New Share Option Scheme**

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Eligible Participants who, in the sole discretion of the Board, have made or may make contribution to the Group. The Board considers that the adoption of the New Share Option Scheme is in the interest of the Company and the Shareholders as a whole because it enables the Company to reward and provide incentives to, and to strengthen business relation with, the Eligible Participants who have contributed or may contribute to the growth and development of the Group; such will provide the Eligible Participants with an opportunity to acquire a monetary gain or ownership interest in the Company not only as a reward for their contribution to the development of the Group in the past, but also serve to motivate the Eligible Participants to continue to optimise their performance and efficiency for better serving the Group in the future, as well as to attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.



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## DIRECTORS' RECOMMENDATION FOR THE 2015 AGM

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The terms of the New Share Option Scheme provide that the Company may specify the Eligible Participants to whom Options shall be granted, the number of Shares subject to each Option and the date on which the Options shall be granted. The basis for determining the subscription price is also specified precisely in the terms of the New Share Option Scheme. There is no performance target specified in the New Share Option Scheme. The Board may at its discretion include any terms, including, among other things, the minimum period for which an Option must be held before it can be exercised. The Board considers that the aforesaid criteria and rules will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

The Board considers that it is not appropriate to state the value of all Options that can be granted pursuant to the New Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but not limited to the exercise price, exercise period and lock-up period (if any). The Board believes that any calculation of the value of the Options as at the Latest Practicable Date is based on a number of speculative assumptions and therefore not only would no such calculation be meaningful or representative, but it could also potentially be misleading to the Shareholders.

None of the Directors are trustees of the New Share Option Scheme or have a direct or indirect interest in the trustees of the New Share Option Scheme. With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules. As at the Latest Practicable Date, save for the Expired Share Option Scheme and the proposed New Share Option Scheme, the Company had not adopted any other share option schemes.

### **Conditions Precedent of the New Share Option Scheme**

The adoption of the New Share Option Scheme is conditional upon:

1. the passing of an ordinary resolution by the Shareholders at the 2015 AGM (i) to adopt the New Share Option Scheme; and (ii) to authorise the Directors to grant Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and
2. the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions under the New Share Option Scheme.

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## **DIRECTORS' RECOMMENDATION FOR THE 2015 AGM**

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Subject to the obtaining of Shareholders' approval with respect to the adoption of the New Share Option Scheme at the 2015 AGM, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and other schemes (including the Expired Share Option Scheme) must not in aggregate exceed 10% of the total issued capital of the Company as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to renew the 10% limit on the basis that the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme together with any options outstanding and yet to be exercised under the New Share Option Scheme and any other schemes shall not exceed 30% of the issued share capital of the Company from time to time. As at the Latest Practicable Date, there were no outstanding options. Save as disclosed above, there are no other outstanding warrants or convertible securities to subscribe for Shares.

The total number of Shares that may fall to be allotted and issued upon exercise in full of the Options that may be granted after the resolution approving the adoption of the New Share Option Scheme has been passed at the 2015 AGM would be 260,000,000 Shares, assuming there is no change of issued share capital from the Latest Practicable Date to the date of 2015 AGM.

A summary of the principal terms of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the 2015 AGM is set out in Appendix IV of this circular on pages 21 to 30. This serves as a summary of the terms of the New Share Option Scheme, but does not constitute the full terms of the same. Save and except for their respective adoption dates, criteria of eligibility of participants and the provisions regarding the restriction on the time of grant of Options, there is no material difference between the terms of the Expired Share Option Scheme and the New Share Option Scheme. A copy of the terms of the New Share Option Scheme is available for inspection at the Company's registered office at Suite 902, 9th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong during normal business hours from 9:00 a.m. to 6:00 p.m. from the date of this circular up to and including the date of the 2015 AGM.

### **Application for Listing**

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme subject to the General Scheme Limit.

### **2015 AGM AND PROXY ARRANGEMENT**

The 2015 AGM Notice is set out on pages 9 to 13 of this circular. At the 2015 AGM, resolutions will be proposed to approve, among others, the adoption of the audited consolidated financial statements, the re-election of the retiring Directors, the re-appointment of the Independent Auditor and authorization to fix its remuneration, the granting of the Share Issue Mandate and the Share Buy-back Mandate, the extension of the Share Issue Mandate, the authorization to fix the Directors' remunerations and the adoption of the New Share Option Scheme.

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## **DIRECTORS' RECOMMENDATION FOR THE 2015 AGM**

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A form of proxy for use in connection with the 2015 AGM is enclosed with this circular and such form of proxy is also published on the respective websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.crownicorp.com>). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's share registrar, Boardroom Share Registrars (HK) Limited located at 31/F., 148 Electric Road, North Point, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not later than 48 hours before the time appointed for holding the 2015 AGM or its adjournment.

Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the 2015 AGM or its adjournment should he/she/it so wishes. In that event, the form of proxy will be deemed to be revoked.

### **CLOSURE OF REGISTER OF MEMBERS**

For determining Shareholders' entitlement to attend and vote at the 2015 AGM, the Register of Members of the Company will be closed from Wednesday, 23 September 2015 to Friday, 25 September 2015, both days inclusive. During this period, no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2015 AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Boardroom Share Registrars (HK) Limited at 31/F., 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 22 September 2015.

### **RECOMMENDATION**

Shareholders are referred to the 2015 AGM Notice for details of the proposed ordinary resolutions.

The Board considers that the proposed ordinary resolutions for considering and adopting the audited consolidated financial statements, the re-election of the retiring Directors, the re-appointment of the Independent Auditor, the grant of the Share Issue Mandate and the Share Buy-back Mandate, the extension of the Share Issue Mandate, the authorization to fix the Directors' remunerations and the adoption of the New Share Option Scheme are in the interests of the Company and its Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the 2015 AGM as set out in the 2015 AGM Notice on pages 9 to 13 of this circular.

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## 2015 AGM NOTICE

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### Crown International Corporation Limited 皇冠環球集團有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 727)**

#### NOTICE OF THE 2015 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 annual general meeting (the “**2015 AGM**”) of the shareholders (the “**Shareholders**”) of Crown International Corporation Limited (the “**Company**”) will be held at Meeting Room 2 (Lobby level), Business Centre, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 25 September 2015 at 11:00 a.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors (the “**Directors**”) and the independent auditor of the Company for the year ended 31 March 2015.
2. To re-elect the retiring Directors:
  - (I) To re-elect Mr. LIU Hong Shen as a non-executive Director.
  - (II) To re-elect Mr. YEUNG Man, Simon as an executive Director.
3. To re-appoint PricewaterhouseCoopers as the independent auditor of the Company and to authorize the board of Directors (the “**Board**”) to fix its remuneration.

As special businesses, to consider and, if thought fit, to pass with or without amendments the following ordinary resolutions:

4. (I) “**THAT:**
  - (a) a general mandate be and is hereby unconditionally given to the Board to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with additional shares of the Company (the “**Shares**”) and to make or grant offers, agreements, options or warrants which would or might require the exercise of such

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## 2015 AGM NOTICE

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powers either during or after the Relevant Period, not exceeding 20% of the aggregate number of the issued Shares as at the date of this Resolution, otherwise than any Shares which may be issued pursuant to the following events:

- (i) a Rights Issue (as hereinafter defined);
  - (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the Directors and employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares;
  - (iii) any scrip dividend or similar arrangement in accordance with the articles of association of the Company (the “**Articles of Association**”); or
  - (iv) upon the exercise of the subscription rights attaching to any warrants issued by the Company; and
- (b) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of Hong Kong to be held; and
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this Resolution.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to Shareholders or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

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## 2015 AGM NOTICE

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(II) “**THAT**:

- (a) a general mandate be and is hereby unconditionally granted to the Board to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to buy back the Shares in accordance with all applicable laws and the requirements of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange under The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC for this purpose, provided that the aggregate number of Shares to be bought back pursuant to the approval in this paragraph shall not exceed 10% of the aggregate number of issued Shares as at the date of this Resolution; and
- (b) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of Hong Kong to be held; and
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this Resolution.”
- (III) “**THAT** conditional upon the passing of Resolutions numbered 4(I) and 4(II) set out in the notice of annual general meeting of the Company of which this Resolution forms part, the aggregate number of Shares which may be bought back by the Company pursuant to Resolution numbered 4(II) shall be added to the aggregate number of the Shares which may be issued pursuant to Resolution numbered 4(I) provided that such amount shall not exceed 10% of the aggregate number of issued Shares as at the date of passing this Resolution.”

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## 2015 AGM NOTICE

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5. “**THAT** the Board be authorized to fix the Directors’ remunerations for the year ending 31 March 2016.”
6. “**THAT:**
- (a) conditional upon the Stock Exchange granting approval for the listing of, and permission to deal in, on the Stock Exchange, any Shares which may be issued upon the exercise of any options which may be granted under the new share option scheme of the Company (the terms of which are set out in the document marked “A” produced to this meeting and initialed by the Chairman of this meeting for the purpose of identification) (the “**New Share Option Scheme**”), the New Share Option Scheme be and is hereby approved and adopted by the Company and the Board be and is hereby authorised at its absolute discretion, to grant options to subscribe for Shares thereunder and to allot, issue and deal with any Shares pursuant to the exercise of the options which may be granted under the New Share Option Scheme and to do all such acts for the purpose of, or in connection with, the implementation of the New Share Option Scheme and the transactions ancillary thereto and of administrative nature as the Board may in its absolute discretion considers necessary or expedient in order to give full effect to the New Share Option Scheme;
  - (b) the Board be and is hereby authorised to grant options to subscribe for Shares in accordance with the terms of the New Share Option Scheme up to a maximum of 10% of the Shares in issue as at the date of passing of this resolution, to allot and issue Shares pursuant to the exercise of the options so granted, to administer the New Share Option Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Board deems fit; and
  - (c) the Board be and is hereby authorized to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules; and
  - (d) the Board be and is hereby authorised to make application at the appropriate time to the Stock Exchange, and any other stock exchange upon which the Shares may for the time being be listed, for listing of, and permission to deal in, the Shares which may thereafter from time to time be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme.”

By order of the Board  
**Crown International Corporation Limited**  
**MENG Jin Long**  
*Chairman*

Hong Kong, 24 August 2015

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## 2015 AGM NOTICE

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*Registered office:*

Suite 902, 9th Floor  
Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

*Notes:*

- (1) Any Shareholder entitled to attend and vote at the 2015 AGM convened by this notice or at its adjournment (as the case maybe) shall be entitled to appoint one (or if he/she/it holds two or more Shares, more than one) proxy to attend and vote on a poll, vote on his/her/its behalf subject to the provision of the Articles of Association. A proxy need not be a Shareholder but must attend the 2015 AGM, or its adjournment (as the case maybe), in person to represent you.

If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.

- (2) In order to be valid, the form of proxy, duly executed, and the power of attorney or other authority, if any, under which it is signed or an office copy or a notarially certified copy thereof, must be deposited at the registered office of the Company at Suite 902, 9th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or at the office of the Company's share registrar, Boardroom Share Registrars (HK) Limited at 31/F., 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not later than 48 hours before the time for holding the 2015 AGM or its adjournment (as the case maybe) (excluding any public holiday in Hong Kong).
- (3) A circular containing further information concerning proposals for the adoption of the audited consolidated financial statements, the re-election of retiring Directors, the re-appointment of the Independent Auditor and authorization to fix its remuneration, the granting of the Share Issue Mandate and the Share Buy-back Mandate, the extension of the Share Issue Mandate, the authorization to fix the Directors' remunerations and the adoption of New Share Option Scheme will be sent to Shareholders.
- (4) Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the 2015 AGM or its adjourned meeting, if he/she/it so wishes. If such Shareholder attends the 2015 AGM, his/her/its form of proxy will be deemed to have been revoked.
- (5) If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 8:00 a.m. and 5:00 p.m. on the date of the 2015 AGM, the 2015 AGM will be postponed and Shareholders will be informed of the date, time and venue of the postponed 2015 AGM by a supplementary notice posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.

If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled 3 hours before the time for holding of the 2015 AGM and where conditions permit, the 2015 AGM will be held as scheduled.

The 2015 AGM will be held as scheduled when an amber or red rainstorm warning signal is in force.

After considering their own situations, Shareholders should decide on their own whether or not they would attend the 2015 AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.

- (6) The Chinese version of the notice is for reference only. Should there be any discrepancies, the English version will prevail.

*As at the date hereof, the Board comprises two Executive Directors, namely Mr. MENG Jin Long (Chairman and Chief Executive Officer) and Mr. YEUNG Man, Simon (Chief Financial Officer), one Non-executive Director, namely Mr. LIU Hong Shen (Vice Chairman) and three Independent Non-executive Directors, namely Mr. LONG Tao, Mr. REN Guo Hua and Mr. CHEN Fang.*



Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll except where the chairman of the 2015 AGM (the “**Chairman**”), in good faith, decides to allow a resolution which relates purely to a procedural and administrative matter to be voted on by a show of hands. The Chairman will, therefore, demand a poll for all resolutions set out in the 2015 AGM Notice and put to vote at the 2015 AGM in accordance with article 89 of the Articles of Association.

Article 89 of the Articles of Association sets out the procedures of demanding a poll as below:

“At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the Chairman; or
- (b) by at least three (3) Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.”

After the conclusion of the 2015 AGM, the results of the poll will be announced in accordance with Rule 13.39(5) of the Listing Rules.

*The biographical information of the retiring Directors eligible and standing for re-election at the 2015 AGM is set out below:*

**MR. LIU HONG SHEN (“Mr. Liu”)**

Mr. Liu, aged 56, was appointed as a non-executive Director on 27 May 2014. Mr. Liu is also the vice chairman of the Company. Save as disclosed herein, Mr. Liu does not hold any other position with the Company or other members of the Group.

Mr. Liu is currently the director of Ever Apex Group Limited. He obtained his Bachelor Degree in Chinese Literature from Yunnan University in China. As an entrepreneur, Mr. Liu has many years of experience in commerce, especially in real estate development in both residential and commercial properties. He and his business partners have invested in and developed both residential and commercial properties. Mr. Liu did not hold any directorship in any other public listed company in the last three years in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Liu did not have any interests or short position in the shares, underlying shares and debentures of the Company or its associated corporation within the meaning of Part XV of the SFO and did not have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

Mr. Liu has entered into a letter of appointment with the Company for a term of three years commencing on 27 May 2014. Mr. Liu is entitled to receive a director’s fee of HK\$300,000 per annum. The emoluments of Mr. Liu have been approved by the Board, and are subject to an annual review by the RQNC, by reference to the prevailing market conditions and his duties and responsibilities at the Company. His term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association and the Corporate Governance Code of the Listing Rules.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is discloseable pursuant to the requirement of Rules 13.51 (2)(h) to (v) of the Listing Rules.

**MR. YEUNG MAN, SIMON (“Mr. Yeung”)**

Mr. Yeung, aged 43, joined the Group in May 2015 as the vice president of a subsidiary of the Company focusing on business development, corporate finance, financial management and control (where he ceased to hold such office immediately after being appointed as an executive Director). Mr. Yeung graduated from the University of Georgia, the United States of America with a Bachelor’s degree in Accounting and a Bachelor’s degree in Finance and Banking. Mr. Yeung is an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Yeung has more than 18 years of experience in corporate finance and financial management & control and has considerable experience in initial public offering, reverse takeover, financial management, corporate finance and auditing. Prior to joining the Company, he held senior financial management positions in several Hong Kong Main Board listed companies and a PRC private enterprise. Mr. Yeung did not hold any directorship in any other public listed company in the last three years in Hong Kong or overseas.

Pursuant to the service contract entered into with the Company on 18 August 2015, Mr. Yeung was appointed as an executive Director for an initial term of three years commencing on 18 August 2015 and shall continue thereafter on a yearly basis subject to termination by either party with three months’ written notice. He will hold office until the next following general meeting of the Company and shall be eligible for re-election in accordance with the Articles of Association. He shall also be subject to retirement by rotation at least once every three years at the annual general meeting of the Company since his last re-election pursuant to the Articles of Association, the Corporate Governance Code of the Listing Rules. Mr. Yeung shall be entitled to receive an annual salary of HK\$1,340,000 and an annual discretionary management bonus (to be determined by the Board) which were recommended by the RQNC of the Board and approved by the Board with reference to the prevailing market conditions and based on the duties and responsibilities undertaken by him as an executive Director.

As at the Latest Practicable Date, Mr. Yeung did not have any interests or short position in the shares, underlying shares and debentures of the Company or its associated corporation within the meaning of Part XV of the SFO and did not have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is discloseable pursuant to the requirement of Rules 13.51(2)(h) to (v) of the Listing Rules.

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules, which provides the requisite information in connection with the proposed general mandate for buy-back of Shares and also constitutes the memorandum required under the Companies Ordinance.

**1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,600,000,000 Shares.

Exercise in full of the Share Buy-back Mandate, on the basis that no further Shares are issued or bought back and cancelled between the Latest Practicable Date and the date of the approval of the Share Buy-back Mandate at the 2015 AGM, the Company would be allowed under the Share Buy-back Mandate to buy back a maximum of 260,000,000 Shares, representing not more than 10% of the issued Shares as at the 2015 AGM date up to (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles of Association, or any applicable law of Hong Kong; or (iii) the date on which the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

**2. REASONS FOR BUY-BACK**

The Directors believe that the Share Buy-back Mandate is in the best interests of the Company and its Shareholders as a whole. Such buy-back(s) may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value and/or the earnings per Share and will only be made when the Directors believe that such buy-back(s) will benefit the Company and its Shareholders as a whole.

**3. FUNDING OF BUY-BACK**

In buying back the Shares, the Company may only apply funds entirely from the Company's available cash flow or working capital facilities which will be funds legally available in accordance with the provisions of the Articles of Association for the time being in force and the laws of Hong Kong for the purpose. It is envisaged that the funds required for any buy-back would be derived from those funds of the Company, legally permitted to be utilized in this connection, including capital paid up on the Shares to be bought back and profits otherwise available for distribution.

On the basis of the audited consolidated financial position of the Company as at 31 March 2015 (being the date to which the latest published audited consolidated financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Share Buy-back Mandate is to be exercised in full during the proposed buy-back period. No buy-back would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company, which in the opinion of the Directors is from time to time appropriate to the Company.

#### **4. SHARE PRICES**

The highest and lowest market prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date are as follows:–

	<b>Shares Prices</b>	
	<b>Highest</b> <i>(HK\$)</i>	<b>Lowest</b> <i>(HK\$)</i>
<b>2014</b>		
August	0.980	0.475
September	0.950	0.730
October	1.060	0.750
November	1.470	0.950
December	1.400	1.000
<b>2015</b>		
January	1.290	0.950
February	1.270	1.040
March	1.330	1.030
April	1.180	0.970
May	1.190	0.990
June	1.290	0.890
July	1.310	0.590
August (up to the Latest Practicable Date)	1.750	1.120

#### **5. UNDERTAKING**

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to buy back Shares in accordance with the Share Buy-back Mandate, the Listing Rules, the applicable laws of Hong Kong and the regulations set out in the Articles of Association.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have a present intention, if the Share Buy-back Mandate is approved by Shareholders, to sell any Shares to the Company under the Share Buy-back Mandate.

No core connected person has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Share Buy-back Mandate is approved by Shareholders.

**6. TAKEOVERS CODE**

If, as a result of a buy-back of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO, the following Shareholders were interested or deemed to be interested in 5% or more of the issued Shares:–

<b>Name of the Shareholders</b>	<b>Capacity/Nature of Interest</b>	<b>Number of issued Shares held</b>	<b>Approximate percentage of shareholding</b>	<b>Approximate percentage of shareholding if Share Buy-back Mandate is exercised in full</b>
Crown International Fund Corporation ("Crown International") (Note 1)	Interests in Shares – Beneficial Interests	1,900,000,000	73.08%	81.20%
Oasis Universal Group Limited ("Oasis Universal") (Note 1)	Interests in Shares – Controlled Corporation	1,900,000,000	73.08%	81.20%
Hung Man (formerly known as Xiong Shu Min) ("Ms. Hung") (Note 1)	Interests in Shares – Controlled Corporation	1,900,000,000	73.08%	81.20%

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**APPENDIX III****EXPLANATORY STATEMENT  
ON SHARE BUY-BACK MANDATE**

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<b>Name of the Shareholders</b>	<b>Capacity/Nature of Interest</b>	<b>Number of issued Shares held</b>	<b>Approximate percentage of shareholding</b>	<b>Approximate percentage of shareholding if Share Buy-back Mandate is exercised in full</b>
Best Plus Ventures Limited ("Best Plus") (Note 2)	Interests in Shares – Beneficial Interests	132,000,000	5.08%	5.64%
Chau Cheok Wa ("Mr. Chau") (Note 2)	Interests in Shares – Controlled Corporation	132,000,000	5.08%	5.64%

*Notes:*

1. 1,900,000,000 Shares were beneficially owned by Crown Landmark Corporation, which was 100% owned by Crown Landmark Fund L.P., a partnership in which Crown International was the general partner. Crown International was in turn 100% owned by Crown Land Corp. Limited, a 100% wholly-owned subsidiary of Oasis Universal. Oasis Universal is solely owned by Ms. Hung. Therefore, Oasis Universal and Ms. Hung were deemed or taken to be interested in all the Shares beneficially owned by Crown Landmark Corporation by virtue of the SFO.
2. 132,000,000 Shares were beneficially owned by Best Plus which was solely owned by Mr. Chau. Accordingly, Mr. Chau was deemed or taken to be interested in all the Shares beneficially owned by Best Plus by virtue of the SFO.

In the event that the Directors exercise in full the proposed Share Buy-back Mandate, the total interests of the above Shareholders would be increased to the respective percentages shown in the last column of the above table (assuming their shareholdings remain the same).

In the opinion of the Directors, such an increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code but would contravene the requirement under Rule 8.08 of the Listing Rules that at least 25% of the Shares must be held by the public. The Directors have no present intention to exercise the power to buy back Shares pursuant to the Share Buy-back Mandate to such an extent as would result in the level of shareholdings in the Company held by public Shareholders falling below 25%. The Company will comply with the public float requirement under the Listing Rules at all times.

**7. BUY-BACK OF SHARES MADE BY THE COMPANY**

No buy-backs of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

*This Appendix is a summary of the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as affecting the interpretation of the terms of the New Share Option Scheme:*

**(A) PURPOSE OF THE NEW SHARE OPTION SCHEME**

The purpose of the New Share Option Scheme is to enable the Group to grant Options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the New Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an Option must be held before an Option can be exercised on a case by case basis, and that the exercise price of an Option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that Grantees will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Options.

**(B) PARTICIPANTS OF THE NEW SHARE OPTION SCHEME**

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants (“**Eligible Participants**”), to take up Options to subscribe for Shares:

- (i) any employee (whether full-time or part-time including any executive Director but excluding any non-executive Director) of the Company, any of the subsidiaries of the Company or any entity (“**Invested Entity**”) in which any member of the Group holds an equity interest;
- (ii) any non-executive Directors (including independent non-executive Directors) of the Company, any of the subsidiaries of the Company or any Invested Entity;
- (iii) any supplier of goods or services to any member of the Group or any Invested Entity;
- (iv) any customer of any member of the Group or any Invested Entity;
- (v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (vi) any Shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;



- (vii) any advisor (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity;
- (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group;

and, for the purposes of the New Share Option Scheme, the Offer may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants.

For avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the New Share Option Scheme.

The eligibility of any of the above class of participants to an Offer shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.

**(C) MAXIMUM NUMBER OF THE SHARES**

- (i) The maximum number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time.
- (ii) The total number of the Shares which may be allotted and issued upon the exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Group) to be granted under the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the Adoption Date ("**General Scheme Limit**").
- (iii) Subject to sub-paragraph (C)(i) above but without prejudice to sub-paragraph (C)(iv) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the limit and, for the purpose of calculating the limit, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Group) previously granted under the New Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

- (iv) Subject to sub-paragraph (C)(i) above and without prejudice to sub-paragraph (C)(iii) above, the Company may seek separate Shareholders' approval in general meeting to grant Options beyond the General Scheme Limit or, if applicable, the extended limit referred to in sub-paragraph (C)(iii) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of Options to be granted, the purpose of granting Options to the specified participants with an explanation as to how the terms of the Options serve such purpose and such other information required under Rule 17.02(2) (d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

**(D) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT**

The total number of Shares issued and which may fall to be issued upon the exercise of the Options granted under the New Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding Options) to each Grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (“**Individual Limit**”). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of the Company with such Grantee and his close associates abstaining from voting. The number and terms (including the exercise price) of Options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

**(E) GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES**

- (i) Any grant of Options under the New Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director(s) who or whose associates is/are the proposed Grantee(s) of the Options).
- (ii) Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
- (a) representing in aggregate over 0.1% of the Shares in issue; and
  - (b) having an aggregate value, based on the closing price of the Shares at the date of each Offer, in excess of HK\$5 million;

such further grant of Options must be approved by Shareholders in general meeting. The Company must send a circular to the Shareholders. The Grantee, his associates and all core connected persons of the Company must abstain from voting in favor at such general meeting, except that the Grantee, his associates and any core connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in general meeting.

The circular sent to the Shareholders must explain the proposed grant, disclosing, inter alia, the following information:

- (a) the details of the number and terms (including the exercise price) of the Options to be granted to each Eligible Participant;
- (b) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the relevant Grantee) to the independent Shareholders of the Company as to voting;
- (c) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (d) the information required under Rule 2.17 of the Listing Rules.

**(F) TIME OF ACCEPTANCE AND EXERCISE OF OPTION**

An Option may be accepted by a participant within 21 days from the date of the Offer.

The Option Period during which an Option may be exercised in accordance with the terms of the New Share Option Scheme any time shall be a period to be determined and notified by the Directors to each Grantee, which period may commence from the Offer Date, but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the Offer to a Grantee, there is no minimum period required under the New Share Option Scheme for the holding of an Option before it can be exercised.

**(G) PERFORMANCE TARGETS**

Unless the Directors otherwise determined and stated in the Offer to a Grantee, a Grantee is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised.

**(H) SUBSCRIPTION PRICE FOR THE SHARES AND CONSIDERATION FOR THE  
OPTION**

The subscription price for the Shares under the New Share Option Scheme shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the Offer Date, which must be a Business Day; and (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five Business Days immediately preceding the Offer Date.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an Option.

**(I) RANKING OF THE SHARES**

The Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members ("**Exercise Date**") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been entered on the register of members of the Company as the holder thereof.

**(J) RESTRICTIONS ON THE TIME OF OFFER FOR THE GRANT OF OPTIONS**

No Offer shall be made after inside information has come to the Company's notice until it has announced the information. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and (ii) the deadline for the Company to publish an announcement of its results for any year, half-year, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, no Offer may be made.

The Directors may not make any Offer to a participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code or any corresponding code or securities dealing restrictions adopted by the Company.

**(K) PERIOD OF THE SHARE OPTION SCHEME**

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme is adopted.

**(L) RIGHTS OF EXERCISE FOR OPTION HOLDER**

Subject as hereinafter provided, an Option may be exercised by a Grantee at any time or times during the Option Period provided that:

**(i) Rights on ceasing employment**

If the Grantee is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds referred to in sub-paragraph (iii) below before exercising his Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation and shall not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the Grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not.

“**Eligible Employee**” means any employee (whether full time or part time employee, including any executive Director but not any non-executive Director) of the Company, any of the subsidiaries of the Company or any Invested Entity.

**(ii) Rights on death, ill-health or retirement**

If the Grantee is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his personal representative(s), or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation of employment which date shall be the last day on which the Grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as the Directors may determine.

**(iii) Rights on dismissal**

If the Grantee is an Eligible Employee and ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group or the Invested Entity into disrepute), his Option (to the extent not already exercised) will lapse automatically on the date of cessation to be an Eligible Employee.

**(iv) Rights on breach of contract**

If the Directors shall at their absolute discretion determine that (a) (1) the Grantee of any Option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the Grantee or his associate on the one part and the Group or any Invested Entity on the other part; or (2) that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (3) the Grantee could no longer make any contribution to the growth and development of the Group by reason of the cessation of its relations with the Group or by other reason whatsoever; and (b) the Option granted to the Grantee under the New Share Option Scheme shall lapse as a result of any event specified in sub-paragraph (a) (1), (2) or (3) above, his Option will lapse automatically on the date on which the Directors have so determined.

**(v) Rights on a general offer, a compromise or arrangement**

If a general or partial offer, whether by way of takeover offer, share buy-back offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavors to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a Grantee shall be entitled to exercise his Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his Option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, revised offer) closed or the relevant date for entitlements under such scheme of arrangement, as the case may be.

**(vi) Rights on winding up**

In the event of a resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two Business Days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Share Option Scheme and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has exercised his Option not less than one Business Day before the date on which such resolutions to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of the Company.

**(vii) Grantee being a company wholly owned by Eligible Participants**

If the Grantee is a company wholly owned by one or more Eligible Participants:

- (a) sub-paragraphs (i), (ii), (iii) and (iv) shall apply to the Grantee and to the Options to such Grantee, *mutatis mutandis*, as if such Options had been granted to the relevant Eligible Participant, and such Options shall accordingly lapse or fall to be exercisable after the event(s) referred to in sub-paragraphs (i), (ii), (iii) and (iv) shall occur with respect to the relevant Eligible Participant; and
- (b) the Options granted to the Grantee shall lapse and determine on the date the Grantee ceases to be wholly owned by the relevant Eligible Participant provided that the Directors may in their absolute discretion decide that such Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

**(M) ADJUSTMENTS TO THE SUBSCRIPTION PRICE**

In the event of a capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of capital of the Company whilst an Option remains exercisable, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial advisor to the Company as fair and reasonable will be made to the number of Shares, the subject matter of the New Share Option Scheme and the Options so far as unexercised and/or the subscription price of the Option concerned, provided that (i) any adjustments shall give a Grantee the same proportion of the issued share capital to which he was entitled prior to such alteration; (ii) the issue of Shares or other securities of the Group as consideration in a transaction may not be regarded as a circumstance requiring adjustment; and (iii) any adjustment must be made in compliance with the Listing Rules and such rules, codes and guidance notes of the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, such auditors or independent financial advisor must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

**(N) CANCELLATION OF OPTIONS**

Any cancellation of Options granted but not exercised must be subject to the prior written consent of the relevant Grantee and the approval of the Directors.

When the Company cancels any Option granted to a Grantee but not exercised and issues new Option(s) to the same Grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding the Options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant to sub-paragraphs (C) (iii) and (iv) above.

**(O) TERMINATION OF THE NEW SHARE OPTION SCHEME**

The Company may by resolution in general meeting at any time terminate the New Share Option Scheme and in such event no further Options shall be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

**(P) RIGHTS ARE PERSONAL TO THE GRANTEE**

An Option is personal to the Grantee and shall not be transferable or assignable.



**(Q) LAPSE OF OPTION**

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period in respect of such Option;
- (ii) the expiry of the periods or dates referred to in paragraph (L); and
- (iii) the date on which the Directors exercise the Company's right to cancel the Option by reason of a breach of paragraph (P) above by the Grantee.

**(R) ALTERATIONS TO THE TERMS OF THE NEW SHARE OPTION SCHEME**

- (i) The terms and conditions of the New Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of Grantees of the options except with the approval of the Shareholders in general meeting.
- (ii) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the New Share Option Scheme shall be approved by the Shareholders in general meeting.

*In this circular, unless the content otherwise requires, the following expressions shall have the following respective meanings:*

“2015 AGM”	the annual general meeting of the Company to be held on Friday, 25 September 2015 at 11:00 a.m. at Meeting Room 2 (Lobby level), Business Centre, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong
“2015 AGM Notice” or “Notice of Annual General Meeting”	the notice convening the 2015 AGM, which is set out on pages 9 to 13 of this circular
“Adoption Date”	the date on which the New Share Option Scheme becomes unconditional upon fulfillment of condition (1) of the conditions as set out in the paragraph headed “Conditions precedent of the New Share Option Scheme” in the section headed “Directors’ Recommendation for the 2015 AGM” of this circular
“Articles of Association”	the Articles of Association of the Company as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong 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 licensed banks in Hong Kong are generally open for business throughout their normal business hours
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622) of the Laws of Hong Kong
“Company”	Crown International Corporation Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange

“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“core connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Employee(s)”	has the meaning ascribed to it under sub-paragraph (L)(i) of Appendix IV as set out on page 26 of this circular
“Eligible Participant(s)”	has the meaning ascribed to it under paragraph (B) of Appendix IV as set out on page 21 of this circular
“Exercise Date”	has the meaning ascribed to it under paragraph (I) of Appendix IV as set out on page 25 of this circular
“Existing Share Issue Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 17 September 2014 to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the then issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Existing Share Buy-back Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 17 September 2014 to buy back Shares not exceeding 10% of the aggregate nominal amount of the then issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Expired Share Option Scheme”	the share option scheme of the Company adopted by the Shareholders on 5 June 2005 and expired on 4 June 2015
“General Scheme Limit”	has the meaning ascribed to it under paragraph (C) of Appendix IV as set out on page 22 of this circular
“Grantee”	Eligible Participant who accepts the offer of the grant of an Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) his personal representative in consequence of the death of the original grantee

“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
“Independent Auditor”	has the meaning ascribed to it in the Letter from the Board as set out on page 3 of this circular
“Individual Limit”	has the meaning ascribed to it under sub-paragraph (D) of Appendix IV as set out on page 23 of this circular
“Invested Entity”	has the meaning ascribed to it under sub-paragraph (B)(i) of Appendix IV as set out on page 21 of this circular
“Latest Practicable Date”	19 August 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix 10 of the Listing Rules
“New Share Option Scheme”	the new share option scheme which is proposed to be adopted by the Company at the 2015 AGM, the principal terms of which are set out in Appendix IV to this circular
“Offer”	an offer for the grant of an Option made in accordance with the New Share Option Scheme
“Offer Date”	the date on which an Offer is made to an Eligible Participant, which must be a Business Day
“Option(s)”	any option(s) to be granted to Eligible Participant(s) to subscribe for Share(s) under the New Share Option Scheme

“Option Period”	in respect of any particular Option, the period to be determined and notified by the Directors to the Grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination thereof contained herein
“personal representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors at the 2015 AGM to buy back Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution granting such mandate
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors at the 2015 AGM to allot, issue and deal with Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution granting such mandate
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time and administered by the SFC