

# ANNOUNCEMENT OF ALLOTMENT RESULTS

## SUMMARY

- The Offer Price has been determined at HK\$2.28 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).
- Based on the Offer Price of HK\$2.28 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting commissions and other estimated expenses in connection with the Global Offering and assuming no exercise of the Over-allotment Option, is estimated to be approximately HK\$319.0 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.
- A total of 52,601 valid applications have been received pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and through the **White Form eIPO** service provider under the **White Form eIPO** for a total of 18,016,708,000 Hong Kong Offer Shares, equivalent to approximately 1,126.04 times of the total number of 16,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- Due to the very significant over-subscription in the Hong Kong Public Offering, the reallocation procedure as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied. A total number of 64,000,000 International Placing Shares have been reallocated from the International Placing to the Hong Kong Public Offering. As a result of such reallocation, the final number of Offer Shares allocated to the Hong Kong Public Offering is 80,000,000 Offer Shares, representing approximately 50% of the total number of Offer Shares initially available under the Global Offering (assuming no exercise of the Over-allotment Option).
- The Offer Shares initially offered under the International Placing have been significantly over-subscribed.
- The final number of Offer Shares under the International Placing (subject to the Over-allotment Option) is 80,000,000 Shares.

- In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by Guotai Junan Securities (Hong Kong) Limited on behalf of the International Underwriters, at any time from the Listing Date until the 30th day after the last date for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to 24,000,000 new Shares, representing 15% of the Offer Shares initially offered under the Global Offering, at the Offer Price to cover, among other things, over-allocations in the International Placing, if any. There was over-allocation of 24,000,000 Shares. Such over-allocation may be covered by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or through stock borrowing arrangements or a combination of these means. In the event that the Over-allotment Option is exercised, an announcement will be made. As at the date of this announcement, the Over-allotment Option has not been exercised.
- In relation to the Hong Kong Public Offering, the Company announces that the results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be made available at the times and dates and in the manner specified below:
  - in the announcement to be posted on the Company's website at [www.redkids.com](http://www.redkids.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than Tuesday, January 14, 2014;
  - from the designated results of allocations website at [www.iporesults.com.hk](http://www.iporesults.com.hk) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Tuesday, January 14, 2014 to 12:00 midnight on Monday, January 20, 2014;
  - by telephone enquiry line by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, January 14, 2014 to Friday, January 17, 2014;
  - in the special allocation results booklets which will be available for inspection during opening hours from Tuesday, January 14, 2014 to Thursday, January 16, 2014 at all the receiving bank branches and sub-branches.
- Applicants who apply for 1,000,000 or more Hong Kong Offer Shares using **White Form eIPO** or using **WHITE** Application Forms and have provided all information required may collect their Share certificates (if any) in person from Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong between 9:00 a.m. and 1:00 p.m. on Tuesday, January 14, 2014.
- Share certificates (if any) for Hong Kong Offer Shares allotted to applicants using **WHITE** Application Forms or **White Form eIPO** which are either not available for personal collection, or which are so available but are not collected in person, are expected to be dispatched by ordinary post to those entitled at their own risk on Tuesday, January 14, 2014.
- Share certificates (if any) for Hong Kong Offer Shares allotted to applicants using **YELLOW** Application Forms and those who applied by giving **electronic application instructions** to HKSCC are expected to be deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants on Tuesday, January 14, 2014.

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more using **YELLOW** Application Forms and have provided all information required may collect refund cheques (if any) in person from Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong between 9:00 a.m. and 1:00 p.m. on Tuesday, January 14, 2014.
- Refund cheques for wholly or partially unsuccessful applicants using **WHITE** or **YELLOW** Application Forms which are either not available for personal collection or which are so available but are not collected in person, will be dispatched by ordinary post to those entitled at their own risk on Tuesday, January 14, 2014.
- For applicants who have paid the application monies from a single bank account using **White Form eIPO**, e-Refund payment instructions (if any) are expected to be dispatched to the application payment account on or before Tuesday, January 14, 2014. For applicants who have paid the application monies from multi-bank accounts using **White Form eIPO**, refund cheques (if any) are expected to be dispatched by ordinary post at their own risk on or before Tuesday, January 14, 2014.
- Refund monies (if any) for applicants applying by giving **electronic application instructions** to HKSCC are expected to be credited to the relevant applicants’ designated bank account or the designated bank account of their broker or custodian on Tuesday, January 14, 2014.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Wednesday, January 15, 2014, provided that (i) the Global Offering has become unconditional in all respects; and (ii) the right of termination as described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Grounds for Termination” in the Prospectus has not been exercised.
- Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, January 15, 2014. The Shares will be traded in board lots of 2,000 Shares each. The stock code of the Company is 1247.
- The Company confirms that immediately following completion of the Global Offering, the number of Shares in the hands of the public will represent at least 25% of the total issued share capital of the Company and will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules.

## EXERCISE AND REDEMPTION OF EXCHANGEABLE NOTES

On January 10, 2014, Chance Talent served notice to partially exercise the exchange rights in respect of 50% the principal amount of the Exchangeable Notes. Out of the principal amount in respect of which Chance Talent has exercised its exchange rights, 44% was mandatorily exchanged and the remaining 6% was additionally elected to be exchanged by Chance Talent pursuant to the terms and conditions of the Exchangeable Notes. Think Wise did not exercise its rights to override Chance Talent's decision and redeem any part of the 6% principal amount of the Exchangeable Notes outside the 44% mandatorily exchanged by Chance Talent. Based on the Offer Price of HK\$2.28 per Share, pursuant to the terms and conditions of the Exchangeable Notes, Think Wise is expected to transfer to Chance Talent prior to Listing, and Chance Talent is expected to hold, 42,523,306 Shares, representing approximately 5.32% of the issued share capital of the Company immediately upon Listing (without taking into account any of the Shares to be issued pursuant to the exercise of the Over-allotment Option and options granted under the Pre-IPO Share Option Scheme and options to be granted under the Share Option Scheme). Upon completion of such transfer, Think Wise will hold 319,076,694 Shares, representing approximately 39.89% of the issued share capital of the Company immediately upon Listing (without taking into account any of the Shares to be issued pursuant to the exercise of the Over-allotment Option and options granted under the Pre-IPO Share Option Scheme and options to be granted under the Share Option Scheme).

The remaining 50% of the principal amount of the Exchangeable Notes will be repaid by Think Wise, a Controlling Shareholder, out of its own financial resources and the entire Exchangeable Notes will be cancelled prior to Listing.

## APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The Offer Price has been determined at HK\$2.28 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%). Based on the Offer Price of HK\$2.28 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting commissions and other estimated expenses in connection with the Global Offering and assuming no exercise of the Over-allotment Option, is estimated to be approximately HK\$319.0 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

The Directors announce that at the close of the application lists at 12:00 noon on Tuesday, January 7, 2014, a total of 52,601 valid applications (including applications on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and to the **White Form eIPO** service provider through the **White Form eIPO** Service) have been received pursuant to the Hong Kong Public Offering for a total of 18,016,708,000 Hong Kong Offer Shares, equivalent to approximately 1,126.04 times the total number of 16,000,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering.

Of the 52,601 valid applications on **WHITE** and **YELLOW** Application Forms or to the designated **White Form eIPO** service provider through **White Form eIPO** website [www.eipo.com.hk](http://www.eipo.com.hk) and by **electronic application instructions** given to HKSCC for a total of 18,016,708,000 Hong Kong

Offer Shares, a total of 50,650 applications in respect of a total of 6,283,708,000 Hong Kong Offer Shares were for Hong Kong Offer Shares with an aggregate subscription amount based on the maximum offer price of HK\$2.32 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less (representing approximately 785.46 times the 8,000,000 Hong Kong Offer Shares initially comprised in pool A), and a total of 1,951 applications in respect of a total of 11,733,000,000 Hong Kong Offer Shares were for Hong Kong Offer Shares with an aggregate subscription amount based on the maximum offer price of HK\$2.32 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million (representing approximately 1,466.63 times the 8,000,000 Hong Kong Offer Shares initially comprised in pool B). 19 applications not completed in accordance with the instructions set out in the Application Forms have been rejected. 72 multiple applications or suspected multiple applications have been identified and rejected. 22 applications have been rejected due to bounced cheques. No applications for more than 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (being 8,000,000 Shares) have been identified.

The reallocation procedure as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus has been applied to reallocate Offer Shares initially offered under the International Placing to satisfy excess demand under the Hong Kong Public Offering. A total number of 64,000,000 International Placing Shares have been reallocated from the International Placing to the Hong Kong Public Offering. As a result of such reallocation, the final number of Offer Shares allocated to the Hong Kong Public Offering is 80,000,000 Offer Shares, representing 50% of the total number of Offer Shares initially available under the Global Offering (assuming no exercise of the Over-allotment Option).

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the paragraph headed “Basis of allotment under the Hong Kong Public Offering” below.

## **INTERNATIONAL PLACING**

The Directors further announce that the Offer Shares initially offered under the International Placing have been significantly over-subscribed. The final number of Offer Shares under the International Placing is 80,000,000 Shares (subject to the Over-allotment Option).

There was over-allocation of 24,000,000 Shares. The settlement of such over-allocation may be effected by exercising the Over-allotment Option, exercisable by Guotai Junan Securities (Hong Kong) Limited, by making purchases in the secondary market at prices that do not exceed the Offer Price, through stock borrowing arrangements or a combination of these means.

In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option exercisable by Guotai Junan Securities (Hong Kong) Limited from the date of the International Underwriting Agreement up to (and including) the date which is the 30th day from the last day for lodging application under the Hong Kong Public Offering to require the Company to allot and issue up to an aggregate of 24,000,000 new Shares representing 15% of the Offer Shares initially offered under the Global Offering at the Offer Price to cover, among other things, over-allocations in the International Placing. The Over-allotment Option has not yet been exercised as at the date of this announcement. If the Over-allotment Option is exercised, an announcement will be made.



The Directors confirm that no Offer Shares under the International Placing have been allocated to applicants who are connected persons of the Company, Directors, existing Shareholders or their respective associates within the meaning of the Listing Rules for their own accounts and the International Placing is in compliance with the Placing Guidelines for Equity Securities as set out in Appendix 6 to the Listing Rules. The Directors confirm that no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering. The Directors confirm that none of the Sole Global Coordinator, the Joint Lead Managers, the Joint Bookrunners and the Underwriters and their respective affiliated companies and connected clients (as set out in Appendix 6 to the Listing Rules) have taken up any Shares for its own benefit under the Global Offering. The Directors confirm that there will not be any new substantial Shareholder of the Company immediately after the Global Offering within the meaning of the Listing Rules and the number of Shares in public hands will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules. The Directors also confirm that none of the placees under the International Placing will become substantial shareholder of the Company within the meaning of the Listing Rules immediately after the Global Offering.

## **BASIS OF ALLOTMENT UNDER THE HONG KONG PUBLIC OFFERING**

<b>NO. OF SHARES APPLIED FOR</b>	<b>NO. OF VALID APPLICATIONS</b>	<b>BASIS OF ALLOTMENT/BALLOT</b>	<b>APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR</b>
<b>POOL A</b>			
2,000	10,464	314 out of 10,464 to receive 2,000 Shares	3.00%
4,000	2,687	107 out of 2,687 to receive 2,000 Shares	1.99%
6,000	2,235	127 out of 2,235 to receive 2,000 Shares	1.89%
8,000	1,245	90 out of 1,245 to receive 2,000 Shares	1.81%
10,000	3,435	301 out of 3,435 to receive 2,000 Shares	1.75%
12,000	1,063	111 out of 1,063 to receive 2,000 Shares	1.74%
14,000	532	63 out of 532 to receive 2,000 Shares	1.69%
16,000	654	88 out of 654 to receive 2,000 Shares	1.68%
18,000	413	62 out of 413 to receive 2,000 Shares	1.67%
20,000	3,631	599 out of 3,631 to receive 2,000 Shares	1.65%
30,000	1,865	459 out of 1,865 to receive 2,000 Shares	1.64%
40,000	1,479	473 out of 1,479 to receive 2,000 Shares	1.60%
50,000	2,291	905 out of 2,291 to receive 2,000 Shares	1.58%
60,000	1,026	446 out of 1,026 to receive 2,000 Shares	1.45%
70,000	1,125	513 out of 1,125 to receive 2,000 Shares	1.30%
80,000	1,610	773 out of 1,610 to receive 2,000 Shares	1.20%
90,000	498	247 out of 498 to receive 2,000 Shares	1.10%
100,000	4,467	2,234 out of 4,467 to receive 2,000 Shares	1.00%
200,000	3,712	2,705 out of 3,712 to receive 2,000 Shares	0.73%
300,000	1,655	1,365 out of 1,655 to receive 2,000 Shares	0.55%
400,000	962	2,000 Shares	0.50%

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL A			
500,000	919	2,000 Shares plus 184 out of 919 to receive additional 2,000 Shares	0.48%
600,000	347	2,000 Shares plus 142 out of 347 to receive additional 2,000 Shares	0.47%
700,000	246	2,000 Shares plus 150 out of 246 to receive additional 2,000 Shares	0.46%
800,000	292	2,000 Shares plus 234 out of 292 to receive additional 2,000 Shares	0.45%
900,000	204	2,000 Shares plus 191 out of 204 to receive additional 2,000 Shares	0.43%
1,000,000	816	4,000 Shares	0.40%
1,500,000	315	4,000 Shares plus 268 out of 315 to receive additional 2,000 Shares	0.38%
2,000,000	462	6,000 Shares plus 231 out of 462 to receive additional 2,000 Shares	0.35%
	<hr/>		
	50,650		

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL B			
2,500,000	213	8,000 Shares plus 66 out of 213 to receive additional 2,000 Shares	0.34%
3,000,000	155	10,000 Shares plus 26 out of 155 to receive additional 2,000 Shares	0.34%
3,500,000	84	12,000 Shares plus 2 out of 84 to receive additional 2,000 Shares	0.34%
4,000,000	117	12,000 Shares plus 104 out of 117 to receive additional 2,000 Shares	0.34%
4,500,000	67	14,000 Shares plus 50 out of 67 to receive additional 2,000 Shares	0.34%
5,000,000	122	16,000 Shares plus 67 out of 122 to receive additional 2,000 Shares	0.34%

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
<b>POOL B</b>			
5,500,000	103	18,000 Shares plus 36 out of 103 to receive additional 2,000 Shares	0.34%
6,000,000	63	20,000 Shares plus 13 out of 63 to receive additional 2,000 Shares	0.34%
6,500,000	33	22,000 Shares plus 2 out of 33 to receive additional 2,000 Shares	0.34%
7,000,000	25	22,000 Shares plus 23 out of 25 to receive additional 2,000 Shares	0.34%
7,500,000	48	24,000 Shares plus 36 out of 48 to receive additional 2,000 Shares	0.34%
8,000,000	921	26,000 Shares plus 553 out of 921 to receive additional 2,000 Shares	0.34%
	<u>1,951</u>		

## RESULTS OF ALLOCATIONS

The results of allocations of Hong Kong Offer Shares in the Hong Kong Public Offering, including applications made on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and through the **White Form eIPO** service provider through the designated **White Form eIPO** website and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company's website at [www.redkids.com](http://www.redkids.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than Tuesday, January 14, 2014;
- from the designated results of allocations website at [www.iporesults.com.hk](http://www.iporesults.com.hk) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Tuesday, January 14, 2014 to 12:00 midnight on Monday, January 20, 2014;
- by telephone enquiry line by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, January 14, 2014 to Friday, January 17, 2014;
- in the special allocation results booklets which will be available for inspection during opening hours from Tuesday, January 14, 2014 to Thursday, January 16, 2014 at all receiving bank branches and sub-branches at the addresses set out below:



**a. Standard Chartered Bank (Hong Kong) Limited:**

<b>District</b>	<b>Branch Name</b>	<b>Address</b>
<b>Hong Kong Island</b>	Des Voeux Road Branch	Standard Chartered Bank Building, 4–4A, Des Voeux Road Central, Central
	Yun Ping Road Branch	G/F to 2/F, Fortune Centre, 44–48 Yun Ping Road, Causeway Bay, Hong Kong
<b>Kowloon</b>	Kwun Tong Branch	G/F, 414 Kwun Tong Road, Kowloon
	68 Nathan Road Branch	Basement, Shop B1, G/F Golden Crown Court, 66–70 Nathan Road, Tsimshatsui
<b>New Territories</b>	Tseung Kwan O Branch	Shop G37–40, G/F, Hau Tak Shopping Centre East Wing, Hau Tak Estate, Tseung Kwan O

**b. China Construction Bank (Asia) Corporation Limited:**

<b>District</b>	<b>Branch Name</b>	<b>Address</b>
<b>Hong Kong Island</b>	Central Des Voeux Road Branch	99 Des Voeux Road Central, Central
	North Point Branch	382 King's Road, North Point
<b>Kowloon</b>	Mei Foo Branch	Shop N46, G/F, Mei Foo Sun Chuen, Stage 6
	Kowloon Bay Amoy Gardens Branch	Shop 181, G/F, Phase IIA, Amoy Gardens, Kowloon Bay
<b>New Territories</b>	Tsuen Wan Branch	282 Sha Tsui Road, Tsuen Wan

Applicants applying through their designated CCASS Participants (other than CCASS Investor Participants) can arrange with their designated CCASS Participants to advise them of the number of Offer Shares allocated under their applications. Successful CCASS Investor Participants can check the number of Offer Shares allocated to them via the CCASS Phone System and CCASS Internet System on Tuesday, January 14, 2014 or from the activity statement that will be made available by HKSCC to them showing the number of Hong Kong Offer Shares credited to their CCASS Investor Participant stock accounts.