

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

- The Offer Price has been determined at HK\$2.15 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).
- Based on the Offer Price of HK\$2.15 per Offer Share, the amount of net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and fees (if any) and estimated total expenses paid and payable by the Company in connection with the Global Offering (assuming no exercise of the Over-allotment Option by the Company), is estimated to be approximately HK\$1,382.0 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. If the Over-Allotment Option is exercised in full, the amount of net proceeds from the Global Offering to be received by the Company is estimated to be HK\$1,395.9 million.
- A total of 928 valid applications (including applications on **WHITE** and **YELLOW** Application Forms and by through giving **electronic application instructions** to HKSCC via CCASS and through the **HK eIPO White Form** service) for a total of 62,548,000 Hong Kong Offer Shares were received pursuant to the Hong Kong Public Offering, equivalent to approximately 0.89 times of the total number of 70,612,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- The Offer Shares initially offered under the Hong Kong Public Offering were under-subscribed and such unsubscribed Offer Shares have been reallocated to the International Offering. The Offer Shares initially offered under the International Offering have been moderately over-subscribed. The Joint Global Coordinators have exercised their discretion to reallocate 8,064,000 unsubscribed Offer Shares under the Hong Kong Public Offering to the International Offering as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus. The final number of Offer Shares under the International Offering is 643,558,000 Shares, representing approximately 91.1% of the total number of Offer Shares initially available under the Global Offering (assuming no exercise of the Over-allotment Option).
- The Directors confirm that no Offer Shares 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 whether in their own names or through nominees. The International Offering is in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules. None of the Joint Bookrunners and the Underwriters has taken up any Offer Shares for its own benefit under the Global Offering. The Directors confirm that none of the placees under the International Offering will be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering. As such, the Directors confirm that none of the placees will become a substantial shareholder of the Company after the International Offering within the meaning of the Listing Rules, and the Company’s public float percentage will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules immediately after completion of the Global Offering.

- The Over-allotment Option Grantors have granted the Over-allotment Option to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters). Pursuant to the Over-allotment Option, the Over-allotment Grantors may be required, for up to 30 days from the day following the last day for the lodging of applications under the Hong Kong Public Offering, to sell and transfer or allot and issue up to 105,914,000 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering. As of the date of this announcement, the Over-allotment Option has not been exercised. If the Over-allotment Option is exercised, an announcement will be made.
- The Company's announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares is published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.baioo.com.hk and in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering, including applications made under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS or through the **HK eIPO White Form** service which will include the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants and the number of the Hong Kong Offer Shares successfully applied for will be made available at the times and dates and in the manner specified below:
 - o results of allocations will be available on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.baioo.com.hk no later than 9:00 a.m. on Wednesday, April 9, 2014;
 - o results of allocations will also be available on the Company's designated results of allocations website at www.tricor.com.hk/ipo/result/ with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Wednesday, April 9, 2014 to 12:00 midnight on Tuesday, April 15, 2014;
 - o results of allocations will be available from the Company's Hong Kong Public Offering allocation results telephone enquiry hotline. Applicants may find out whether or not their applications have been successful and the number of Hong Kong Offer Shares allocated to them, if any, by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, April 9, 2014 to Monday, April 14, 2014, excluding Saturday, Sunday and Public Holiday; and
 - o special allocation results booklets setting out the results of allocations will be available for inspection during the opening hours of individual branches from Wednesday, April 9, 2014 to Friday, April 11, 2014 at all the receiving bank branches at the addresses set out in the paragraph headed "Results of Allocation" below.

- Applicants who have applied for 1,000,000 or more Hong Kong Offer Shares and have provided all information required by their **WHITE** or **YELLOW** Application Forms may collect refund cheque(s) and/or share certificate(s) (where applicable) in person from Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Wednesday, April 9, 2014.
- Share certificates for Hong Kong Offer Shares allotted to applicants using **WHITE** Application Forms or **HK eIPO White Form** service which are not collected personally within the time specified for collection, will be despatched promptly to the address specified in the relevant applications by ordinary post at their own risk on Wednesday, April 9, 2014.
- Share certificates 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's stock accounts or their designated CCASS Participant's stock accounts as stated in the relevant Application Form on Wednesday, April 9, 2014.
- Applicants applying through their designated CCASS Participants (other than a CCASS Investor Participant) using **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant. Applicants applying as a CCASS Investor Participant on **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on April 9, 2014 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants applying as a CCASS Investor Participant on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC may also check their new account balances via the CCASS Phone System and the CCASS Internet System (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) immediately after the credit of the Hong Kong Offer Shares to their CCASS Investor Participant stock accounts. HKSCC will also make available to CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their stock accounts.
- Applicants who have applied for the Hong Kong Offer Shares using **HK eIPO White Form** service by paying the application monies through a single bank account will have e-Auto refund payment instructions despatched to their application payment bank account on Wednesday, April 9, 2014. Applicants who have applied for the Hong Kong Offer Shares using **HK eIPO White Form** service by paying the application monies through multiple bank accounts will have refund cheque(s) (if any) sent to the address specified in their application instructions through the **HK eIPO White Form** Service on Wednesday, April 9, 2014, by ordinary post and at their own risk.
- Refund cheque(s) for surplus application monies in respect of wholly or partially successful applications under **WHITE** or **YELLOW** Application Forms which are either not available for personal collection or which are available but are not collected in person, are expected to be despatched by ordinary post and at their own risk on Wednesday, April 9, 2014. No interest will be paid thereon.

- 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 Wednesday, April 9, 2014. Applicants applying through designated CCASS Clearing/Custodian Participants by giving **electronic application instructions** to HKSCC via CCASS may check the refund amount payable to them through their brokers or custodians on Wednesday, April 9, 2014. Applicants applying as CCASS Investor Participants can check the amount of refund monies payable to them via the CCASS Phone System or the CCASS Internet System on Wednesday, April 9, 2014, or in the activity statement made available to them by HKSCC after the credit of refund monies to their designated bank accounts.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, April 10, 2014 provided that the Global Offering has become unconditional in all respects and the right of termination as described in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Offer Shares. No receipts will be issued for application monies received.
- Dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, April 10, 2014. The Shares will be traded in Board Lots of 2,000 Shares each. The stock code of the Shares is 02100.

OFFER PRICE

The Offer Price has been determined at HK\$2.15 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$2.15 per Offer Share, the amount of net proceeds from the Global Offering to be received by the Company, after deduction of underwriting commissions and fees (if any) and estimated total expenses paid and payable by the Company in connection with the Global Offering (assuming no exercise of the Over-allotment Option by the Company), is estimated to be approximately HK\$1,382.0 million. The Company intends to use such net proceeds from the Global Offering for the following purposes:

- approximately HK\$483.7 million (approximately 35% of our total estimated net proceeds) for the development of new virtual worlds on both PC and mobile, including two new virtual worlds to be launched in 2014;
- approximately HK\$414.6 million (approximately 30% of our total estimated net proceeds) to fund our further expansion into the online education and e-learning market on both PC and mobile including the expansion and commercialization of WenTa, our online tutorial platform;

- approximately HK\$345.5 million (approximately 25% of our total estimated net proceeds) to the expansion of our offline product offerings, such as print media, movies and television show production;
- approximately HK\$69.1 million (approximately 5% of our total estimated net proceeds) to fund potential strategic acquisitions;
- the balance of the net proceeds, which is approximately HK\$69.1 million (approximately 5% of our total estimated net proceeds) will be used for working capital and other general corporate purposes.

If the Over-allotment Option is exercised in full, we estimate that (i) the Over-allotment Option Grantors other than the Company will receive in aggregate net proceeds of approximately HK\$199.6 million (equivalent to approximately US\$25.7 million), after deducting underwriting commissions and fees (if any) and estimated expenses paid and payable by the Overallotment Option Grantors other than the Company; (ii) the Company will receive net proceeds of approximately HK\$13.9 million (equivalent to approximately US\$1.8 million), after deducting underwriting commissions and fees (if any) and estimated expenses paid and payable by us in connection with the Over-allotment Option. We intend to use the additional net proceeds received by us upon the exercise of the Over-allotment Option proportionally as earmarked above.

Please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus for further details of the Company’s intended use of the net proceeds from the Global Offering.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

The Directors announce that at the close of the application lists at 12:00 noon on Wednesday, April 2, 2014, a total of 928 valid applications (including applications on **WHITE** and **YELLOW** Application Forms and by through giving **electronic application instructions** to HKSCC via CCASS and through the **HK eIPO White Form** service) for a total of 62,548,000 Hong Kong Offer Shares were received pursuant to the Hong Kong Public Offering, equivalent to approximately 0.89 times of the total number of 70,612,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering. Among the valid applications:

- 923 valid applications in respect of a total of 39,548,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$2.60 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 1.12 times of the 35,306,000 Hong Kong Offer Shares initially comprised in Pool A; and
- 5 valid applications in respect of a total of 23,000,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$2.60 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 0.65 times of the 35,306,000 Hong Kong Offer Shares initially comprised in Pool B.

Under the Hong Kong Public Offering, no multiple applications or suspected multiple applications have been identified and rejected. 1 application has been rejected due to a bounced cheque. No applications have been rejected due to invalid applications which is not completed in accordance with the instructions set out in the Application Forms. No application for more than 35,306,000 Hong Kong Offer Shares, being 100% of the number of Offer Shares initially available in either pool A or pool B for subscription under the Hong Kong Public Offering, has been identified.

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

INTERNATIONAL OFFERING AND OVER-ALLOTMENT OPTION

The Offer Shares initially offered under the Hong Kong Public Offering were under-subscribed and such unsubscribed Offer Shares have been reallocated to the International Offering.

The Offer Shares initially offered under the International Offering have been moderately over-subscribed. The Joint Global Coordinators have exercised their discretion to reallocate 8,064,000 unsubscribed Offer Shares under the Hong Kong Public Offering to the International Offering as described in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in the Prospectus. The final number of Offer Shares under the International Offering is 643,558,000 Shares, representing approximately 91.1% of the total number of Offer Shares initially available under the Global Offering (assuming no exercise of the Over-allotment Option).

The Over-allotment Option Grantors have granted the Over-allotment Option to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters). Pursuant to the Over-allotment Option, the Over-allotment Grantors may be required, for up to 30 days from the day following the last day for the lodging of applications under the Hong Kong Public Offering, to sell and transfer or allot and issue up to 105,914,000 additional Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering. 105,914,000 Shares were over-allocated in the International Offering. As of the date of this announcement, the Over-allotment Option has not been exercised. If the Over-allotment Option is exercised, an announcement will be made.

The Directors confirm that no Offer Shares 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 whether in their own names or through nominees. The International Offering is in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules. None of the Joint Bookrunners and the Underwriters has taken up any Offer Shares for its own benefit under the Global Offering. The Directors confirm that none of the placees under the International Offering will be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Global Offering. As such, the Directors confirm that none of the placees will become a substantial shareholder of the Company after the International Offering within the meaning of the Listing Rules, and the Company’s public float percentage will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules immediately after completion of the Global Offering.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the paragraph headed “Structure of the Global Offering — Conditions of the Hong Kong Public Offering” in the Prospectus, valid applications made by the public on **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS and under the **HK eIPO White Form** service will be conditionally allocated on the basis set out below:

BAIOO Family Interactive Limited — HONG KONG PUBLIC OFFER (POOL A)

Number of shares applied for	Number of valid applications	Basis of allocation	Approximate percentage allotted of the total number of shares applied for
2,000	295	2,000 Shares	100.00%
4,000	130	4,000 Shares	100.00%
6,000	76	6,000 Shares	100.00%
8,000	29	8,000 Shares	100.00%
10,000	77	10,000 Shares	100.00%
12,000	21	12,000 Shares	100.00%
14,000	17	14,000 Shares	100.00%
16,000	7	16,000 Shares	100.00%
18,000	11	18,000 Shares	100.00%
20,000	65	20,000 Shares	100.00%
30,000	24	30,000 Shares	100.00%
40,000	29	40,000 Shares	100.00%
50,000	20	50,000 Shares	100.00%
60,000	12	60,000 Shares	100.00%
70,000	3	70,000 Shares	100.00%
80,000	5	80,000 Shares	100.00%
90,000	3	90,000 Shares	100.00%
100,000	42	100,000 Shares	100.00%
200,000	14	200,000 Shares	100.00%
300,000	13	300,000 Shares	100.00%
400,000	7	400,000 Shares	100.00%
500,000	10	500,000 Shares	100.00%
600,000	2	600,000 Shares	100.00%
800,000	2	800,000 Shares	100.00%
900,000	1	900,000 Shares	100.00%
1,000,000	8	1,000,000 Shares	100.00%
TOTAL	923		

BAIOO Family Interactive Limited — HONG KONG PUBLIC OFFER (POOL B)

Number of shares applied for	Number of valid applications	Basis of allocation	Approximate percentage allotted of the total number of shares applied for
2,000,000	2	2,000,000 Shares	100.00%
3,000,000	1	3,000,000 Shares	100.00%
6,000,000	1	6,000,000 Shares	100.00%
10,000,000	1	10,000,000 Shares	100.00%
TOTAL	<u>5</u>		

The final number of Offer Shares under the Hong Kong Public Offering is 62,548,000 Offer Shares, representing approximately 8.9% of the total number of the Offer Shares initially available under the Global Offering (before the exercise of the Over-allotment Option).

The final number of Offer Shares under the International Offering is 643,558,000 Offer Shares (subject to the Over-allotment Option), representing approximately 91.1% of the total number of the Offer Shares initially available under the Global Offering (before the exercise of the Over-allotment Option).

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering, including applications made under **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS or through the **HK eIPO White Form** service which will include the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants and the number of the Hong Kong Offer Shares successfully applied for will be made available at the times and dates and in the manner specified below:

- results of allocations will be available on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.baioo.com.hk no later than 9:00 a.m. on Wednesday, April 9, 2014;
- results of allocations will also be available on the Company's designated results of allocations website at www.tricor.com.hk/ipo/result/ with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Wednesday, April 9, 2014 to 12:00 midnight on Tuesday, April 15, 2014;
- results of allocations will be available from the Company's Hong Kong Public Offering allocation results telephone enquiry hotline. Applicants may find out whether or not their applications have been successful and the number of Hong Kong Offer Shares allocated to them, if any, by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, April 9, 2014 to Monday, April 14, 2014, excluding Saturday, Sunday and Public Holiday; and

- special allocation results booklets setting out the results of allocations will be available for inspection during the opening hours of individual branches from Wednesday, April 9, 2014 to Friday, April 11, 2014 at the following branches of **Bank of China (Hong Kong) Limited**, the receiving bank, at the addresses set out below:

	Branch Name	Address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Connaught Road Central Branch	13–14 Connaught Road Central
	409 Hennessy Road Branch	409–415 Hennessy Road, Wan Chai
	Taikoo Shing Branch	Shop G1006, Hoi Sing Mansion, Taikoo Shing
Kowloon	Yau Ma Tei Branch	471 Nathan Road, Yau Ma Tei
	Humphrey's Avenue Branch	4–4A Humphrey's Avenue, Tsim Sha Tsui
	Kowloon Plaza Branch	Unit 1, Kowloon Plaza, 485 Castle Peak Road
	Metro City Branch	Shop 209, Level 2, Metro City Phase 1, Tseung Kwan O
New Territories	Tai Po Branch	68–70 Po Heung Street, Tai Po Market
	Yuen Long (Hang Fat Mansion) Branch	8–18 Castle Peak Road, Yuen Long

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 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 Wednesday, April 9, 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.

The Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares will also be published on Wednesday, April 9, 2014 on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.baioo.com.hk in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese).