

SUMMARY

- The Offer Price has been determined at HK\$0.15 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- The Company has granted the Offer Size Adjustment Option exercisable with the consent of the Company by Sole Bookrunner on behalf of the Placing Underwriters at any time before 5:00 p.m. on the business day before the date of this announcement of the results of allocations and the basis of allocation of the Public Offer Shares, to require the Company to allot and issue up to an aggregate of 90,000,000 additional Placing Shares, representing 15% of the number of the Offer Shares initially being offered under the Share Offer, on the same terms as those applicable to the Share Offer. Kingsway Financial has not exercised the Offer Size Adjustment Option by the aforementioned time and the Offer Size Adjustment Option has accordingly lapsed.
- Based on the Offer Price of HK\$0.15 per Offer Share, the net proceeds from the Share Offer to be received by the Company, after deduction of underwriting fees and estimated expenses payable by the Company in connection with the Share Offer is estimated to be approximately HK\$63.8 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 21,457 valid applications have been received pursuant to the Public Offer on **WHITE** and **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS and through the **HK eIPO White Form** service (www.hkeipo.hk) for a total of 101,699,880,000 Public Offer Shares, representing approximately 1,695 times of the total number of 60,000,000 Public Offer Shares initially available for subscription under the Public Offer.
- Due to very significant over-subscription in the Public Offer, the reallocation procedures as described in the sub-section headed “Structure and Conditions of the Share Offer — Offer Mechanism — Basis of Allocation of the Offer Shares” in the Prospectus have been applied. As the number of Offer Shares validly applied for in the Public Offer represents more than 100 times of the number of Offer Shares initially available under the Public Offer, 240,000,000 Shares have been reallocated to the Public Offer from the Placing, so that the total number of Offer Shares allocated to the Public Offer has been increased to 300,000,000 Offer Shares, representing approximately 50% of the total number of Offer Shares available under the Share Offer.

- The Placing Shares initially offered under the Placing have been moderately over-subscribed, representing approximately 3.7 times of the total number of 300,000,000 Placing Shares after reallocation to the Public Offer. The final number of Placing Shares allocated to 114 placees under the Placing is 300,000,000 Placing Shares after reallocation to the Public Offer, representing approximately 50% of the total number of Offer Shares available under the Share Offer. A total of 59 placees have been allotted five board lots Placing Shares or less, representing approximately 51.8% of total number of placees under the Placing. A total of 2,920,000 Placing Shares have been allotted to these 59 placees, representing approximately 1.0% of the 300,000,000 Placing Shares after reallocation to the Public Offer.
- The Offer Price, the level of indications of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares will also be published on Friday, September 9, 2016 on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.crosstec.com.hk and in the South China Morning Post (in English) and the Hong Kong Economic Journal (in Chinese).
- The results of allocations of the Public Offer Shares, including applications made under **WHITE** or **YELLOW** Application Forms, which will include the Hong Kong identity card numbers/passport numbers/Hong Kong business registration certificate numbers of successful applicants and the number of the Public Offer Shares successfully applied for 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.crosstec.com.hk and the Stock Exchange's website at www.hkexnews.hk by no later than Friday, September 9, 2016;
 - results of allocations will also be available from the website at www.tricor.com.hk/ipo/result on a 24-hour basis from 8:00 a.m. on Friday, September 9, 2016 to 12:00 midnight on Thursday, September 15, 2016. The user will be required to key in the Hong Kong identity card/passport/Hong Kong business registration certificate number provided in his/her/its Application Form to search for his/her/its own allocation result;
 - by telephone enquiry by calling (852) 3691 8488 between 9:00 a.m. and 6:00 p.m. from Friday, September 9, 2016 to Wednesday, September 14, 2016 (excluding Saturdays, Sundays and public holidays in Hong Kong); and
 - in the special allocation results booklets setting out the results of allocations which will be available for inspection during opening hours of the receiving banks branches from Friday, September 9, 2016 to Tuesday, September 13, 2016 at the addresses set forth in this announcement.

- Applicants who have applied for 1,000,000 or more Public Offer Shares and have provided all information required by their **WHITE** Application Forms and applicants who have applied 1,000,000 or more Public Offer Shares through the **HK eIPO White Form** service may collect refund cheque(s) and/or Share certificate(s) (where applicable) in person from the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Friday, September 9, 2016 or such other date as notified by the Company in the newspapers.
- Share certificates for Public Offer Shares allotted to applicants using **WHITE** Application Forms or **HK eIPO White Form** service 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 Friday, September 9, 2016.
- The Directors confirm that, to the best of their knowledge, information and belief having made reasonable enquiries, no Offer Shares have been allocated to applicants who are Directors, existing Shareholders or beneficial owners of Shares and/or any securities of the Company's subsidiaries and core connected persons of the Company or their close associates within the meanings of the Listing Rules, whether in their own names or through nominees. None of the Sole Sponsor, the Sole Bookrunner, the Co-Lead Managers, the Underwriters or their affiliated companies and connected clients of the lead broker or of any distributors (as set out in Appendix 6 to the Listing Rules) has been placed with any Offer Shares for its own benefit under the Share Offer. The Directors confirmed that the Placing has been conducted in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules. None of the placees under the Placing will become a substantial shareholder (within the meaning of the Listing Rules) of the Company after the Share Offer and the Company's public float percentage will satisfy the minimum percentage prescribed by Rule 8.08(1)(a) of the Listing Rules. The Directors also confirmed that the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and the Shares will be held by at least 300 shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.
- Applicants who have applied for 1,000,000 Public Offer Shares or above on a **YELLOW** Application Form and have provided all information required by their Application Forms may collect their refund cheques from the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Friday, September 9, 2016 or such other date as notified by the Company in the newspapers.
- Share certificates for Public Offer Shares allotted to applicants using **YELLOW** Application Forms are expected to be issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participants' stock accounts or their designated CCASS Participants' stock accounts on Friday, September 9, 2016.

- Applicants applying through a designated CCASS Participant (other than a CCASS Investor Participant) using **YELLOW** Application Forms should check the number of Public Offer Shares allocated to them with that CCASS Participant. Applicants applying as a CCASS Investor Participant on **YELLOW** Application Forms should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Friday, September 9, 2016 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 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 Public Offer Shares to their CCASS Investor Participants' stock accounts. HKSCC will also make available to CCASS Investor Participants an activity statement showing the number of Public Offer Shares credited to their stock accounts.
- Applicants who have applied for the Public Offer Shares by giving electronic application instructions to HKSCC, share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of their designated CCASS Participants' stock accounts or their CCASS Investor Participants' stock accounts on Friday, September 9, 2016, or, on any other date determined by HKSCC or HKSCC Nominees.
- Applicants who have applied for the Public 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 Friday, September 9, 2016. Applicants who have applied for the Public 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 Friday, September 9, 2016, by ordinary post and at their own risk.
- Refund cheque(s) for wholly or partially unsuccessful applicants using 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 Friday, September 9, 2016.

- Where applicants who have applied by giving electronic application instructions to HKSCC, their refunds (if any) will be credited to their designated bank accounts or the designated bank account of the designated CCASS Participant through which they are applying on Friday, September 9, 2016. For applicants who have instructed their designated CCASS Participants (other than CCASS Investor Participants) to give electronic application instructions to HKSCC on their behalf, they can check the amount of refund (if any) payable to them with that designated CCASS Participant. Applicants applying as CCASS Investor Participants can check the amount of refund (if any) payable to them via the CCASS Phone System and CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time) on Friday, September 9, 2016 or in the activity statement showing the amount of refund money credited to their designated bank accounts made available to them by HKSCC immediately after the credit of refund money to their bank accounts.
- Share certificates will only become valid certificates of title at 8:00 a.m. on Monday, September 12, 2016 provided that the Share Offer has become unconditional in all respects and the right of termination described in the paragraph headed “Underwriting — Underwriting Arrangements and Expenses — 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 receipt will be issued for sums paid on application.
- Dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Monday, September 12, 2016. The Shares will be traded in board lots of 20,000 Shares each. The stock code of the Shares is 3893.

OFFER PRICE

The Offer Price has been determined at HK\$0.15 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE SHARE OFFER

Based on the Offer Price of HK\$0.15 per Offer Share, the net proceeds from the Share Offer to be received by the Company, after deduction of underwriting fees and estimated expenses payable by the Company in connection with the Share Offer is estimated to be approximately HK\$63.8 million. The Company intends to apply such net proceeds as follows:

- approximately HK\$18.9 million, representing approximately 30% of the net proceeds will be used for pursuing suitable acquisition and partnership opportunities;
- approximately HK\$14.8 million, representing approximately 23% of the net proceeds will be used for financing the incorporation of overseas subsidiaries in Milan, Beijing, New York and Tokyo;
- approximately HK\$10.7 million, representing approximately 17% of the net proceeds will be used for financing the establishment of research and development center in Hong Kong;
- approximately HK\$7.0 million, representing approximately 11% of the net proceeds will be used for recruiting high caliber talents in management, design, sales and marketing and enhance internal training to support future growth;
- approximately HK\$6.4 million, representing approximately 10% of the net proceeds will be used for additional working capital and other general corporate purposes;
- approximately HK\$6.0 million, representing approximately 9% of the net proceeds will be used for promoting our brand by strengthening our marketing efforts to further increase our market share.

Please refer to the section headed “Future Plans and Use of Proceeds” of the Prospectus for further information.

APPLICATIONS AND INDICATIONS OF INTERESTS RECEIVED

The Public Offer Shares initially available under the Public Offer have been very significantly over-subscribed. At the close of the application lists at 12:00 noon on Monday, September 5, 2016, a total of 21,457 valid applications (including applications on **WHITE** and **YELLOW** Application Forms and by giving electronic application instructions to HKSCC via CCASS and through the **HK eIPO White Form** service) for a total of 101,699,880,000 Public Offer Shares were received pursuant to the Public Offer, representing approximately 1,695 times of the total number of 60,000,000 Public Offer Shares initially available for subscription under the Public Offer.

35 multiple applications or suspected multiple applications have been identified. 6 applications have been rejected due to bounced cheques. One application has been rejected due to invalid application. No application for more than 60,000,000 Public Offer Shares (being 100% of the Public Offer Shares initially available under the Public Offer) has been identified.

Due to very significant over-subscription in the Public Offer, the reallocation procedures as described in the sub-section headed “Structure and conditions of the Share Offer — Offer Mechanism — Basis of allocation of the Offer Shares” in the Prospectus have been applied. As the number of Offer Shares validly applied for in the Public Offer represents more than 100 times of the number of Offer Shares initially available under the Public Offer, 240,000,000 Shares have been reallocated to the Public Offer from the Placing, so that the total number of Offer Shares allocated to the Public Offer has been increased to 300,000,000 Offer Shares, representing 50% of the Offer Shares initially available under the Share Offer.

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

PLACING AND OFFER SIZE ADJUSTMENT OPTION

The Placing Shares initially offered under the Placing have been moderately oversubscribed, representing approximately 3.7 times of the total number of 300,000,000 Placing Shares after reallocation to the Public Offer. The final number of Placing Shares allocated to 114 placees under the Placing is 300,000,000 Placing Shares after reallocation to the Public Offer, representing approximately 50% of the total number of the Offer Shares available under the Share Offer. A total of 59 placees have been allotted five board lots Placing Shares or less, representing approximately 51.8% of total number of placees under the Placing. A total of 2,920,000 Placing Shares have been allotted to these 59 placees, representing approximately 1.0% of the 300,000,000 Placing Shares after reallocation to the Public Offer.

The Company has granted the Offer Size Adjustment Option exercisable with the consent of the Company by Sole Bookrunner on behalf of the Placing Underwriters at any time before 5:00 p.m. on the business day before the date of this announcement of the results of allocations and the basis of allocation of the Public Offer Shares, to require the Company to allot and issue up to an aggregate of 90,000,000 additional Placing Shares, representing 15% of the number of the Offer Shares initially being offered under the Share Offer, on the same terms as those applicable to the Share Offer. Kingsway Financial has not exercised the Offer Size Adjustment Option by the aforementioned time and the Offer Size Adjustment Option has accordingly lapsed.

The Directors confirm that, to the best of their knowledge, information and belief having made reasonable enquiries, no Offer Shares have been allocated to applicants who are Directors, existing Shareholders or beneficial owners of Shares and/or any securities of the Company’s subsidiaries and core connected persons of the Company or their close associates within the meanings of the Listing Rules, whether in their own names or through nominees. None of the Sole Sponsor, the Sole Bookrunner, the Co-Lead Managers, the Underwriters or their affiliated companies and connected clients of the lead broker or of any distributors (as set out in Appendix 6 to the Listing Rules) has been placed with any Offer Shares for its own benefit under the Share Offer. The Directors confirmed that the Placing has been

conducted in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules. None of the placees under the Placing will become a substantial shareholder (within the meaning of the Listing Rules) of the Company after the Share Offer and the Company's public float percentage will satisfy the minimum percentage prescribed by Rule 8.08(1)(a) of the Listing Rules. The Directors also confirmed that the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and the Shares will be held by at least 300 shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

BASIS OF ALLOCATION UNDER THE PUBLIC OFFER

Subject to the satisfaction of the conditions set out in the sub-section headed "Structure and Conditions of the Share Offer — Conditions of the Share Offer" 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 to the **HK eIPO White Form** Service Provider through the **HK eIPO White Form** service will be conditionally allocated on the basis set out below:

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
20,000	3,893	390 out of 3,893 applicants to receive 20,000 shares	10.02%
40,000	1,289	194 out of 1,289 applicants to receive 20,000 shares	7.53%
60,000	3,127	563 out of 3,127 applicants to receive 20,000 shares	6.00%
80,000	367	74 out of 367 applicants to receive 20,000 shares	5.04%
100,000	677	139 out of 677 applicants to receive 20,000 shares	4.11%
120,000	238	50 out of 238 applicants to receive 20,000 shares	3.50%
140,000	189	42 out of 189 applicants to receive 20,000 shares	3.17%
160,000	131	30 out of 131 applicants to receive 20,000 shares	2.86%
180,000	165	38 out of 165 applicants to receive 20,000 shares	2.56%
200,000	1,556	366 out of 1,556 applicants to receive 20,000 shares	2.35%
300,000	1,107	316 out of 1,107 applicants to receive 20,000 shares	1.90%
400,000	611	185 out of 611 applicants to receive 20,000 shares	1.51%
500,000	622	203 out of 622 applicants to receive 20,000 shares	1.31%
600,000	742	268 out of 742 applicants to receive 20,000 shares	1.20%
700,000	499	193 out of 499 applicants to receive 20,000 shares	1.11%
800,000	414	166 out of 414 applicants to receive 20,000 shares	1.00%
900,000	183	74 out of 183 applicants to receive 20,000 shares	0.90%
1,000,000	796	323 out of 796 applicants to receive 20,000 shares	0.81%
1,500,000	440	251 out of 440 applicants to receive 20,000 shares	0.76%
2,000,000	601	439 out of 601 applicants to receive 20,000 shares	0.73%
2,500,000	178	156 out of 178 applicants to receive 20,000 shares	0.70%
3,000,000	326	323 out of 326 applicants to receive 20,000 shares	0.66%
3,500,000	140	20,000 shares plus 17 out of 140 applicants to receive an additional 20,000 shares	0.64%
4,000,000	175	20,000 shares plus 42 out of 175 applicants to receive an additional 20,000 shares	0.62%

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
4,500,000	70	20,000 shares plus 25 out of 70 applicants to receive an additional 20,000 shares	0.60%
5,000,000	196	20,000 shares plus 84 out of 196 applicants to receive an additional 20,000 shares	0.57%
6,000,000	187	20,000 shares plus 113 out of 187 applicants to receive an additional 20,000 shares	0.53%
7,000,000	131	20,000 shares plus 99 out of 131 applicants to receive an additional 20,000 shares	0.50%
8,000,000	105	20,000 shares plus 93 out of 105 applicants to receive an additional 20,000 shares	0.47%
9,000,000	89	20,000 shares plus 84 out of 89 applicants to receive an additional 20,000 shares	0.43%
10,000,000	346	40,000 shares	0.40%
15,000,000	169	40,000 shares plus 106 out of 169 applicants to receive an additional 20,000 shares	0.35%
20,000,000	184	60,000 shares plus 56 out of 184 applicants to receive an additional 20,000 shares	0.33%
25,000,000	91	60,000 shares plus 54 out of 91 applicants to receive an additional 20,000 shares	0.29%
30,000,000	113	60,000 shares plus 85 out of 113 applicants to receive an additional 20,000 shares	0.25%
35,000,000	68	60,000 shares plus 58 out of 68 applicants to receive an additional 20,000 shares	0.22%
40,000,000	97	80,000 shares	0.20%
45,000,000	38	80,000 shares plus 11 out of 38 applicants to receive an additional 20,000 shares	0.19%
50,000,000	116	80,000 shares plus 44 out of 116 applicants to receive an additional 20,000 shares	0.18%
55,000,000	25	80,000 shares plus 14 out of 25 applicants to receive an additional 20,000 shares	0.17%
60,000,000	966	80,000 shares plus 773 out of 966 applicants to receive an additional 20,000 shares	0.16%
<hr/>			
TOTAL:	<u>21,457</u>		

The final number of Offer Shares allocated to the Public Offer is 300,000,000 Offer Shares, representing 50% of the total number of the Offer Shares initially available under the Share Offer. The final number of Placing Shares under the Placing is 300,000,000 Placing Shares after reallocation to the Public Offer, representing approximately 50% of the total number of the Offer Shares initially available under the Share Offer.

RESULTS OF ALLOCATIONS

The results of allocations of the Public Offer Shares, including applications made under **WHITE** or **YELLOW** Application Forms, which will include the Hong Kong identity card numbers/passport numbers/Hong Kong business registration certificate numbers of successful applicants and the number of the Public Offer Shares successfully applied for 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.crosstec.com.hk**](http://www.crosstec.com.hk) and the Stock Exchange's website at [**www.hkexnews.hk**](http://www.hkexnews.hk) by no later than Friday, September 9, 2016;
- results of allocations will also be available from the website at [**www.tricor.com.hk/ipo/result**](http://www.tricor.com.hk/ipo/result) on a 24-hour basis from 8:00 a.m. on Friday, September 9, 2016 to 12:00 midnight on Thursday, September 15, 2016. The user will be required to key in the Hong Kong identity card/passport/Hong Kong business registration certificate number provided in his/her/its Application Form to search for his/her/its own allocation result;
- by telephone enquiry by calling (852) 3691 8488 between 9:00 a.m. and 6:00 p.m. from Friday, September 9, 2016 to Wednesday, September 14, 2016 (excluding Saturdays, Sundays and public holidays in Hong Kong); and

- in the special allocation results booklets setting out the results of allocations which will be available for inspection during opening hours of the receiving banks branches from Friday, September 9, 2016 to Tuesday, September 13, 2016 at the addresses set forth below:

Bank of China (Hong Kong) Limited

District	Name	Address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Causeway Bay Branch	505 Hennessy Road, Causeway Bay Hong Kong
	Johnston Road Branch	152–158 Johnston Road, Wan Chai
	King's Road Branch	131–133 King's Road, North Point
	Taikoo Shing Branch	Shop G1006, Hoi Sing Mansion Taikoo Shing
Kowloon	Shanghai Street (Mong Kok) Branch	611–617 Shanghai Street, Mong Kok
	Mei Foo Mount Sterling Mall Branch	Shop N47–49 Mount Sterling Mall, Mei Foo Sun Chuen
New Territories	Tai Po Plaza Branch	Unit 4, Level 1 Tai Po Plaza 1 On Tai Road, Tai Po

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 Friday, September 9, 2016 or from the activity statement that will be made available by HKSCC to them showing the number of Public Offer Shares credited to their CCASS Investor Participants' stock accounts.

The Offer Price, the level of indications of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares will also be published on Friday, September 9, 2016 on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.crosstec.com.hk and in the South China Morning Post (in English) and the Hong Kong Economic Journal (in Chinese).