
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in BAIIO Family Interactive Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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.



BAIOO Family Interactive Limited

百奧家庭互動有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2100)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED RENEWAL OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES,
RE-APPOINTMENT OF RETIRING AUDITOR,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of BAIIO Family Interactive Limited to be held at Aberdeen, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 3:30 p.m. on Friday, 20 June 2014 is set out on pages 17 to 20 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.baioo.com.hk).

Whether or not you propose to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so desire. If you attend and vote at the Annual General Meeting, the form of proxy will be revoked.

28 April 2014

CONTENTS

	<i>Page</i>	
Definitions	1 to 2	
 Letter from the Board		
1. Introduction	3	
2. Proposed Re-election of Retiring Directors	4	
3. Proposed Renewal of General Mandate to Repurchase Shares	4	
4. Proposed Renewal of General Mandate to Issue Shares	4 to 5	
5. Proposed Re-appointment of Retiring Auditor	5	
6. Annual General Meeting and Proxy Arrangement	5	
7. Responsibility Statement	5	
8. Recommendation	6	
 Appendix I — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting		7 to 13
 Appendix II — Explanatory Statement on the Share Repurchase Mandate		14 to 16
 Notice of Annual General Meeting		17 to 20

DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Aberdeen, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 3:30 p.m. on Friday, 20 June 2014 to consider and, if desirable, to approve the resolutions contained in the notice of the meeting which is set out on pages 17 to 20 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of Directors
“Company”	BAIOO Family Interactive Limited (百奧家庭互動有限公司), a company incorporated in the Cayman Islands with limited liability on 25 September 2009, with its Shares listed on the Main Board of the Stock Exchange on 10 April 2014
“Director(s)”	the director(s) of the Company
“Group”	the Company, its subsidiaries and the PRC operating entity
“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
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with any Shares or securities convertible to Shares and to make an offer or agreement or grant an option (including but not limited to warrants, options, bonds, notes, securities and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power, during the period as set out in the proposed ordinary resolution No. 5 of the notice of the Annual General Meeting not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of proposed ordinary resolution No. 5 in the notice of the Annual General Meeting as set out on pages 17 to 20 of this circular
“Latest Practicable Date”	23 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Post-IPO RSU Scheme”	the restricted share unit plan approved by the shareholder of the Company on 18 March 2014 and took effect on 10 April 2014
“PRC”	the People’s Republic of China
“Pre-IPO RSU Scheme”	the restricted share units plan approved and adopted by the Company on 30 September 2013
“Repurchase resolution”	the proposed ordinary resolution No. 4 in the notice of the Annual General Meeting
“Regulation S”	Regulation S under the U.S. Securities Act
“RSU(s)”	restricted share unit(s) granted pursuant to the Pre-IPO RSU Scheme and/or the Post-IPO RSU Scheme
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shares(s)”	ordinary share(s) of US\$0.0000005 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of not exceeding 10% of the issued share capital of the Company as at the date of passing of the proposed ordinary resolution No. 4 in the notice of the Annual General Meeting as set out on pages 17 to 20 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“United States” or “U.S.”	the United States of America, as defined in Regulation S
“US\$”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the United States Securities Act of 1933 (as amended, supplemented or otherwise modified from time to time)
“%”	per cent

References to time and dates in this circular are to Hong Kong time and dates.

LETTER FROM THE BOARD



BAIOO Family Interactive Limited

百奧家庭互動有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2100)

Executive Directors:

DAI Jian (Chairman)

WU Lili (Chief Executive Officer)

LI Chong

CHEN Ziming

WANG Xiaodong

Non-executive Director:

JI Yue

Independent Non-executive Directors:

LIU Qianli

WANG Qing

MA Xiaofeng

Registered Office:

Hutchins Drive

Cricket Square

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

British West Indies

Head Office:

10G, No. 36 Jianzhong Road

Tianhe Software Park

Tianhe District

Guangzhou

Guangdong

PRC

Principal Place of Business in

Hong Kong:

Unit 12, 19th Floor

Tower B, Southmark

11 Yip Hing Street

Wong Chuk Hang

Hong Kong

28 April 2014

To the Shareholders,

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED RENEWAL OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
RE-APPOINTMENT OF RETIRING AUDITOR**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 20 June 2014.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, Mr. WANG Xiaodong, Mr. JI Yue and Mr. MA Xiaofeng shall retire at the Annual General Meeting. In addition, Mr. DAI Jian who was appointed by the Board on 12 April 2012 and Mr. WU Lili, Mr. LI Chong and Mr. CHEN Ziming who were appointed by the Board on 25 September 2009 shall hold office until conclusion of the Annual General Meeting pursuant to Article 83(3) of the Articles of Association. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Details of the retiring Directors are set out in Appendix I to this circular.

3. PROPOSED RENEWAL OF GENERAL MANDATE TO REPURCHASE SHARES

By written resolutions passed by the shareholders of the Company on 18 March 2014, a general mandate was granted to the Directors to exercise, during the relevant period as set out in the proposed ordinary resolution No. 4 in the notice of the Annual General Meeting, all powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares where appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the renewal of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the aggregate nominal value of the issued share capital of the Company. As at the Latest Practicable Date, the issued share capital of the Company comprised 2,824,422,000 Shares. Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and assuming that no further Shares will be issued or repurchased following the Latest Practicable Date and prior to the date of the Annual General Meeting, the maximum number of Shares which may be purchased pursuant to the Share Repurchase Mandate as at the date of passing the Repurchase resolution will be 282,442,200 Shares. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the renewal of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES

By written resolutions passed by the shareholders of the Company on 18 March 2014, a general mandate was granted to the Directors to exercise, during the relevant period as set out in the proposed ordinary resolution No. 5 in the notice of the Annual General Meeting, all powers of the Company to allot, issue and deal with Shares or securities convertible to Shares and to make an offer or agreement or grant an option (including but not limited to warrants, options, bonds, notes, securities and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares where appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the renewal of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares or securities convertible to Shares and to make an offer or agreement or grant an option (including but not limited to warrants, options, bonds, notes, securities and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require the exercise of such power, during the period as set out in ordinary resolution No. 5 in the notice of the Annual General Meeting of not exceeding 20% of the issued share capital of the Company. As at the Latest Practicable Date, the issued share capital of the Company comprised 2,824,422,000 Shares. Subject to the passing of the proposed ordinary resolution approving the Issuance Mandate and assuming that no further Shares will

LETTER FROM THE BOARD

be issued or repurchased following the Latest Practicable Date and prior to the date of the Annual General Meeting, the Directors will be authorized to issue a maximum of 564,884,400 Shares under the Issuance Mandate. An ordinary resolution to extend the Issuance Mandate by adding the aggregate nominal value of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED RE-APPOINTMENT OF RETIRING AUDITOR

The Board proposes to re-appoint PricewaterhouseCoopers as the auditor of the Company effective until the conclusion of the 2015 annual general meeting of the Company subject to the approval of the shareholders at the Annual General Meeting. The Board also proposes and recommends to the Shareholders to authorise the Board to fix their remuneration at the Annual General Meeting.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 17 to 20 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of such meeting, in good faith, decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules. An announcement on results of the poll will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.baioo.com.hk). Whether or not you propose to attend the Annual General Meeting, you are requested to complete and sign in accordance with the instructions printed thereon and return, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so desire. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

7. RESPONSIBILITY STATEMENT

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.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and renewal of the Share Repurchase Mandate and Issuance Mandate and re-appointment of the auditor are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
BAIOO Family Interactive Limited
DAI Jian
Chairman and Executive Director

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are the particulars of the biographical details of the Directors proposed to be re-elected at the Annual General Meeting in accordance with the Articles of Association.

(1) **Mr. DAI Jian (戴堅)**, aged 46, is a co-founder of the Group and was appointed as the chairman in November 2011 and an executive Director in April 2012. He is responsible for the overall management, corporate development and strategic planning of the Group.

Mr. DAI has more than thirteen years of experience in the information and technology industry. From December 2004 to January 2010 and from December 2010 to present, he was the executive director and manager of Altratek Telecommunications Ltd., Co. (廣州市阿爾創通信技術有限公司), a wireless telecommunication product and service provider, where he was responsible for overall management, resources integration and strategic planning. Prior to that, he co-founded and was the chairman of Guangzhou Elite Enterprise Management Corporation (廣州市伊萊哲企業管理有限公司) from November 1999 to November 2004, where he was responsible for overall management, resources integration and strategic planning.

Mr. DAI received his bachelor's degree in computer application from Hunan University (湖南大學) in July 1990.

Mr. DAI entered into a service agreement dated 2 January 2014 with the Company pursuant to which he agreed to act as an executive director for an initial period of three years (subject to re-election as and when required under the Articles of Association) until being terminated in accordance with his service agreement. The annual basic salary of Mr. DAI is RMB1,194,000 which is determined by the Board based on his qualification, position and seniority. Under his service agreement, his remuneration may include share options and RSUs and he is also entitled to a discretionary management bonus of such amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee of the Company.

As at the Latest Practicable Date, Mr. DAI has personal interests in 739,460,000 shares, through a controlled corporation, Stmoritz Investment Limited, representing approximately 26.18% of the issued share capital of the Company within the meaning of Part XV of the SFO. Mr. Dai is also interested in 10,000,000 RSUs granted to him under the Pre-IPO RSU Scheme entitling him to receive 10,000,000 Shares, representing approximately 0.35% of the issued share capital of the Company within the meaning of Part XV of the SFO subject to vesting.

Save as disclosed above, Mr. DAI (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in other Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. DAI has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. DAI's standing for re-election as Director that need to be brought to the attention of the Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(2) **Mr. WU LiLi (吳立立)**, aged 46, is a co-founder of the Group and was appointed as the chief executive officer in March 2010 and an executive Director in September 2009. He is responsible for the overall management, corporation development and strategic planning of the Group.

Mr. WU has more than thirteen years of experience in the information technology industry. Prior to joining the Group, he was the executive director and deputy director of marketing of Altratek Telecommunications Ltd., Co. (廣州市阿爾創通信技術有限公司) from September 2007 to June 2009, where he was responsible for resources integration and capital operation, as well as strategic planning and new project development, including the overall management of the company's new Internet business and the integration of the telecom value added services. Prior to that, he was the vice chairman of marketing of Guangzhou Elite Enterprise Management Corporation (廣州市伊萊哲企業管理有限公司) from November 1999 to August 2007, where he managed the company's various production lines and marketing agencies in the PRC, and was responsible for the implementation of the company's marketing strategies.

Mr. WU received his MBA degree from the China Europe International Business School (中歐國際工商學院) in September 2004. He also received his master's degree in computer application and bachelor's degree in computer communications from Beijing University of Posts and Telecommunication (北京郵電大學, formerly known as 北京郵電學院) in April 1992 and July 1989, respectively.

Mr. WU entered into a service agreement dated 2 January 2014 with the Company pursuant to which he agreed to act as an executive director for an initial period of three years (subject to re-election as and when required under the Articles of Association) until being terminated in accordance with his service agreement. The annual basic salary of Mr. WU is RMB1,152,000 which is determined by the Board based on his qualification, position and seniority. Under the Service Agreement, his remuneration may include share options and RSUs and he is also entitled to a discretionary management bonus of such amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee of the Company.

As at the Latest Practicable Date, Mr. WU has personal interests in 447,112,000 shares, through a controlled corporation, Bright Stream Holding Limited, representing approximately 15.83% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. WU (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in other Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. WU has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. WU's standing for re-election as Director that need to be brought to the attention of the Shareholders.

(3) **Mr. LI Chong (李冲)**, aged 45, is a co-founder of the Group and was appointed as the chief operating officer in September 2009 and an executive Director in September 2009. He is responsible for the overall operations of the Group and the marketing and distribution of the Group's products.

Mr. LI has more than thirteen years of experience in information technology industry. Prior to joining the Group, he was one of the new project leaders of Altratek Telecommunications Ltd., Co. (廣州市阿爾創通信技術有限公司) from January 2008 to July 2009, where he was responsible for design and operation of the company's products. In particular, he was a key participant in the feasibility study and development of Aobi Island. Prior to that, he was the president of Guangzhou Aochuang Information Technology Co., Ltd. (廣州市奧創信息技術有限公司) from October 2000 to December 2008, where he was responsible for the overall operation and management of the company.

Mr. LI received his master's degree in business management from Jinan University (暨南大學) in June 2000. He also received his master's degree in communications and electric systems and bachelor's degree in telecommunication engineering from Beijing University of Posts and Telecommunications (北京郵電大學) in April 1992 and July 1989, respectively.

Mr. LI entered into a service agreement dated 2 January 2014 with the Company pursuant to which he agreed to act as an executive director for an initial period of three years (subject to re-election as and when required under the Articles of Association) until terminated in accordance with his service agreement. The annual basic salary of Mr. LI is RMB922,000 which is determined by the Board based on his qualification, position and seniority. Under the Service Agreement, his remuneration may include share options and RSUs and he is also entitled to a discretionary management bonus of such amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee of the Company.

As at the Latest Practicable Date, Mr. LI has personal interests in 203,304,000 shares, through a controlled corporation, LNZ Holding Limited, representing approximately 7.20% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. LI (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in other Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. LI has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. LI's standing for re-election as Director that need to be brought to the attention of the Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(4) **Mr. CHEN Ziming (陳子明)**, aged 39, is a co-founder of the Group and was appointed as chief technology officer and an executive Director in September 2009. He is responsible for the design, development and testing of the products, as well as the operation, maintenance and upgrade of the network infrastructure and information technology system.

Mr. CHEN has approximately thirteen years of experience in the information technology industry. Prior to joining the Group, he was one of the new project leaders of Altratek Telecommunications Ltd., Co. (廣州市阿爾創通信技術有限公司) from June 2008 to July 2009, where he was a key participant in the feasibility study and development of Aobi Island. He was directly responsible for the research and development, as well as the operation and maintenance of Aobi Island. Prior to that, he was a senior adviser at the consulting department of Microsoft (China) Co., Ltd. from January 2002 to June 2008, where he provided consulting service to corporate customers in information technology system planning and development, managed the company's core operational system and technical infrastructure.

Mr. CHEN received his master degree in computer software and theory and bachelor's degree in weather dynamics from Sun Yat-Sen University (中山大學) in June 2002 and June 1998, respectively.

Mr. CHEN entered into a service agreement dated 2 January 2014 with the Company pursuant to which he agreed to act as an executive director for an initial period of three years (subject to re-election as and when required under the Articles of Association) until terminated in accordance with his service agreement. The annual basic salary of Mr. CHEN is RMB750,000 which is determined by the Board based on his qualification, position and seniority. Under the Service Agreement, his remuneration may include share options and RSUs and he is also entitled to a discretionary management bonus of such amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee of the Company.

As at the Latest Practicable Date, Mr. CHEN has personal interests in 111,580,000 shares, through a controlled corporation, LeLe Happy Holding Limited, representing approximately 3.95% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. CHEN (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in other Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. CHEN has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. CHEN's standing for re-election as Director that need to be brought to the attention of the Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(5) Mr. WANG Xiaodong (王曉東), aged 48, is a co-founder of the Group and was appointed as an executive Director in December 2013 and the executive vice president in September 2009. Mr. Wang was also appointed as our executive director between September 2009 and March 2010. He is in charge of the overall management of the human resources, user services public affairs and business cooperation of the Group.

Mr. WANG has more than fifteen years of experience in the information technology industry, as well as extensive experience in the education industry. Prior to joining the Group, he was one of the new project leaders of Altratek Telecommunications Ltd., Co. (廣州市阿爾創通信技術有限公司) from September 2007 to July 2009, where he was a key participant in the feasibility study and development of Aobi Island. He was specifically responsible for managing human resources, administration and the cooperation with primary schools and other education agencies for the product. He was the director of human resources and vice president of Guangzhou Elite Enterprise Management Corporation (廣州市伊萊哲企業管理有限公司) from August 2001 to December 2008, where he was in charge of the company's operations in northern China, as well as the management and development of the company's human resources department. From April 2001 to August 2001, he was the associate dean of Hunan University College of Civil Engineering (湖南大學土木工程學院), where he was responsible for overall student education and management. Prior to that, he was the associate director of the department of mechanical engineering of Hunan University (湖南大學) from February 1997 to January 1998, where he was responsible for the overall management of the department.

Mr. WANG received his master's degree in industrial international trade and bachelor's degree in machine design and manufacturing from Hunan University (湖南大學) in December 1998 and July 1988, respectively.

Mr. WANG entered into a service agreement dated 2 January 2014 with the Company pursuant to which he agreed to act as an executive director for an initial period of three years (subject to re-election as and when required under the Articles of Association) until being terminated in accordance with his service agreement or by either party giving to the other not less than one month's prior notice in writing. The annual basic salary of Mr. WANG is RMB678,000 which is determined by the Board based on his qualification, position and seniority. Under the Service Agreement, his remuneration may include share options and RSUs and he is also entitled to a discretionary management bonus of such amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee of the Company.

As at the Latest Practicable Date, Mr. WANG has personal interests in 74,544,000 shares, through a controlled corporation, Angel Wang Holding Limited, representing approximately 2.64% of the issued share capital of the Company within the meaning of the Part XV of the SFO.

Save as disclosed above, Mr. WANG (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in other Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. WANG has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. WANG's standing for re-election as Director that need to be brought to the attention of the Shareholders.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(6) **Mr. JI Yue (計越)**, aged 41, has served as a non-executive Director of the Company since March 31, 2010. He supervises the overall management and strategic planning of the Group.

Mr. JI joined Sequoia Capital China in 2005 and is currently a partner. Mr. Ji has been a director of Noah Holdings Limited since 2007, a NYSE-listed wealth management service provider and a director of Country Style Cooking Restaurant Chain Co., Ltd since 2007, a NYSE-listed quick service restaurant chain in China.

Mr. JI received a bachelor's degree in engineering from Nanjing University of Aeronautics & Astronautics (南京航空航天大學) in July 1995 and an MBA from China Europe International Business School (中歐國際工商學院) in April 2000.

The Company issued a letter of appointment to Mr. Ji on 2 January 2014 acknowledging that Mr. JI has been serving as a non-executive director since 31 March 2010. Such letter with effect from 2 January 2014 and shall continue for a period of three years (subject to re-election as and when required under the Articles of Association) unless otherwise being terminated in accordance with the terms and conditions specified in such letter. Mr. JI does not receive any director's fee from the Company.

Save as disclosed above, Mr. JI (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in the Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. JI has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. JI's standing for re-election as Director that need to be brought to the attention of the Shareholders.

(7) **Mr. MA Xiaofeng (馬肖風)**, aged 50, was appointed as an independent non-executive Director on 18 March 2014.

Mr. MA is the co-founder, chairman and chief executive officer of ATA Inc., a professional services provider for testing, assessment and related services in China, and a public company listed on NASDAQ.

The Company issued a letter of appointment to Mr. MA on 18 March 2014 pursuant to which he agreed to act as an independent non-executive director for a period of three years with effect from 18 March 2014 (subject to re-election as and when required under the Articles of Association) unless otherwise terminated in accordance with the terms and conditions specified in the Letter. Mr. MA is entitled to (i) a fee of US\$40,000 per annum, (ii) RSUs underlying 200,000 Shares of the Company granted by the Company on 21 March 2014 under the Pre-IPO RSU Scheme. The Company may, at its sole discretion, grant more RSUs from time to time, as determined by the Board, (iii) the Company may, at its sole discretion, consider and pay him a bonus of an amount as the Board may determine in light of the Company's business performance and his individual performance after confirmation with the remuneration committee and nomination committee.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
 BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Mr. MA (i) does not hold any other position with any members of the Group, (ii) is not related to any Director, senior management, substantial shareholder or controlling shareholder of the Company or other members of the Group, (iii) is not interested in the Shares within the meaning of Part XV of the SFO and, (iv) did not hold any directorships in other listed public companies in the last three years.

Save as disclosed above, Mr. MA has confirmed that there is no other information which is discloseable nor has he been involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and the Company is not aware of any other matters concerning Mr. MA's standing for re-election as Director that need to be brought to the attention of the Shareholders.

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Share Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,824,422,000 Shares.

Subject to the passing of the proposed ordinary resolution approving the Share Repurchase Mandate and assuming that no further Shares will be issued or repurchased following the Latest Practicable Date and prior to the date of the Annual General Meeting, the maximum number of Shares which may be purchased pursuant to the Share Repurchase Mandate as at the date of passing the Repurchase resolution will be 282,442,200 Shares. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

The Company is empowered by its Articles of Association to repurchase Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position as at 31 December 2013, being the date to which the last audited accounts of the Company were made up) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARES PRICES

During the period from 10 April 2014 (the date of listing of the Shares on the Main Board of the Stock Exchange) up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Highest HK\$	Lowest HK\$
April 2014 (<i>since 10 April 2014 and up to the Latest Practicable Date</i>)	2.15	1.35

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong and the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, 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 Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby becomes obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

To the best knowledge of the Directors and according to the register of substantial shareholders interests in Share kept under section 336 of Part XV of the SFO, as at the Latest Practicable Date, Stmoritz Investment Limited, Bright Stream Holding Limited, LNZ Holding Limited, Sequoia Capital China II, L.P. and Peto Holdings Limited were interested in, respectively, 739,460,000 Shares (representing approximately 26.18% of the issued share capital of the Company), 447,112,000 Shares (representing approximately 15.83% of the issued share capital of the Company), 203,304,000 Shares (representing approximately 7.2% of the issued share capital of the Company), 335,240,000 Shares (representing approximately 11.87% of the issued share capital of the Company) and 142,316,000 Shares (representing approximately 5.04% of the issued share capital of the Company). In the event that the Directors exercise the proposed Share Repurchase Mandate in full and no other Shares would be issued or repurchased

following the Latest Practicable Date, the shareholding of Stmoritz Investment Limited, Bright Stream Holding Limited, LNZ Holding Limited, Sequoia Capital China II, L.P. and Peto Holdings Limited of the Company would be increased to approximately 29.09%, 17.59%, 8.00%, 13.19% and 5.60%, respectively. Such increase is not expected to give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequences of any purchases made under the Share Repurchase Mandate which may arise under the Takeovers Code.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent which will result in the aggregate number of Shares held by the public shareholders falling below the minimum requirement of public float by the Stock Exchange.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

From the date of listing of the Company to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



BAIOO Family Interactive Limited

百奧家庭互動有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2100)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “Annual General Meeting”) of BAIOO Family Interactive Limited (the “Company”) will be held at Aberdeen, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 3:30 p.m. on Friday, 20 June 2014 for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2013.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. DAI Jian as an executive director;
 - (b) to re-elect Mr. WU Lili as an executive director;
 - (c) to re-elect Mr. LI Chong as an executive director;
 - (d) to re-elect Mr. CHEN Ziming as an executive director;
 - (e) to re-elect Mr. WANG Xiaodong as an executive director;
 - (f) to re-elect Mr. JI Yue as a non-executive director;
 - (g) to re-elect Mr. MA Xiaofeng as an independent non-executive director; and
 - (h) to authorise the board of directors of the Company (the “Board”) to fix the remuneration of directors of the Company;
3. To re-appoint PricewaterhouseCoopers as the auditor and to authorize the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total nominal value of shares of the Company to be purchased pursuant to the mandate in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of this resolution, subject to adjustments according to any subsequent consolidation or subdivision of shares; and
- (c) 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 of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of shareholders of the Company in general meeting.”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company, to grant rights to subscribe for, or convert any securities into, shares of the Company (including the issue of any securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for any shares of the Company) and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) of this resolution shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the mandate in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the aggregate nominal value of the issued share capital of the Company on the date of passing of this resolution, subject to adjustments according to any subsequent consolidation or subdivision of shares; and

- (d) 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 of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Right Issue” means an offer of shares of the Company or an issue of options, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate nominal value of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate nominal value of shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such value shall not exceed 10% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of this resolution.”

By Order of the Board
BAIOO Family Interactive Limited
DAI Jian
Chairman and Executive Director

Hong Kong, 28 April 2014

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and vote instead of him provided that each proxy is appointed to represent the respective number of shares held by the shareholder as specified in the relevant proxy form. A proxy need not be a shareholder of the Company.
3. In order to be valid, the completed form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Wednesday, 18 June 2014 to Friday, 20 June 2014, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 17 June 2014.