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IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8002)

ANNOUNCEMENT

GRANT OF SHARE OPTIONS PURSUANT TO THE SHARE OPTION SCHEME

AND

GRANT OF AWARDED SHARES AND GRANT OF CASH TO THE TRUSTEE PURSUANT TO THE SHARE AWARD SCHEME

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 23.06A of the GEM Listing Rules.

On 25 March 2014, the Board (including all independent non-executive Directors), based on the recommendation by the remuneration committee under the Board, resolved to grant a total of 3,700,000 Share Options to subscribe for the ordinary Shares of US\$0.0000025 each in the share capital of the Company, pursuant to the Share Option Scheme, subject to the acceptance by the Share Option Grantees. The details of the Share Options granted are as follows:

Each Share Option shall entitle the holder of the Share Option to subscribe for one Share upon exercise of such Share Option at an exercise price of HK\$8.96 per Share, which represents the highest of (1) the nominal value of a Share; (2) the closing price of HK\$8.30 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant; and (3) the average closing price of HK\$8.96 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant.

The Share Options granted shall vest in the Share Option Grantees in accordance with the timetable below, each with an exercise period commencing from the relevant Share Option Vesting Date and ending 10 years after the Date of Grant (for this purpose, the date or each such date on which the Share Options are to vest being hereinafter referred to as a “**Share Option Vesting Date**”):

Share Option Vesting Date	Percentage of Share Options to Vest
On or after 25 March 2015	25% of the total number of Share Options granted
On or after 25 March 2016	25% of the total number of Share Options granted
On or after 25 March 2017	25% of the total number of Share Options granted
On or after 25 March 2018	25% of the total number of Share Options granted

Among the total 3,700,000 Share Options, 1,394,000 Share Options were granted to the following Directors, chief executive, directors of the subsidiaries, substantial shareholders or an associate of any of them with details as follows:

Name	Position / Capacity	Number of Share Options Granted
Mr. Zongjian Cai (蔡宗建)	chief executive officer, one of the executive Directors and one of the Controlling Shareholders of the Company	291,000
Mr. Yuan Chi (池元)	senior vice president, one of the executive Directors and one of the Controlling Shareholders of the Company	135,000
Mr. Yuan Xu (許元)	chief operating officer and one of the Controlling Shareholders of the Company	213,000
Mr. Hong Zhang (張竑)	chief technology officer, senior vice president of global operations and one of the Controlling Shareholders of the Company	168,000

Name	Position / Capacity	Number of Share Options Granted
Ms. Meijia Chen (陳美伽)	cousin of Mr. Yuan Xu (許元), vice president of Group and director of IGG HK	288,000
Mr. Hanling Fang (方翰鈴)	senior human resources and administration director of Group and director of IGG Philippines	299,000

The grant of Share Options to the Directors, directors of the subsidiaries and the substantial shareholders or their associates has been approved by the independent non-executive Directors pursuant to Rule 23.04(1) of the GEM Listing Rules. Each of the Share Option Grantees who is a Director has abstained from voting so far as the resolution for the approval of the grant of Share Options to each of them was concerned.

AWARDED SHARES

Reference is made to the announcement of the Company in relation to the adoption of the Share Award Scheme on 24 December 2013.

Grant of Awarded Shares

On 25 March 2014, the Board (including all independent non-executive Directors), based on the recommendation by the remuneration committee under the Board, also resolved to grant a total of 1,560,000 Awarded Shares to the Share Award Grantees of the Group pursuant to the Share Award Scheme at nil consideration, subject to the acceptance by the Share Award Grantees, all of whom are Eligible Persons and are independent from the Company and its connected persons.

As of the date of this announcement, the Company has not granted any Awarded Shares pursuant to the terms of the Share Award Scheme. The total of 1,560,000 Awarded Shares to be granted to the Share Award Grantees represent approximately 0.11% of the issued share capital of the Company as at the date of this announcement. The 1,560,000 Awarded Shares represent the value of approximately HK\$13,774,800, taking into account of the average closing price of HK\$8.83 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days before the Date of Grant (including the Date of Grant).

The details of the Awarded Shares granted are as follows:

The Awarded Shares granted shall vest in the Share Award Grantees in accordance with the schedule below (for this purpose, the date or each such date on which the Awarded Shares are to vest being hereinafter referred to as a “**Share Award Vesting Date**”):

Share Award Vesting Date	Percentage of Awarded Shares to Vest
On 25 March 2015	25% of the total number of Awarded Shares granted
On 25 March 2016	25% of the total number of Awarded Shares granted
On 25 March 2017	25% of the total number of Awarded Shares granted
On 25 March 2018	25% of the total number of Awarded Shares granted

Once vested, at the request of the relevant Share Award Grantees, the Awarded Shares can be transferred to the relevant Share Award Grantees from the Trustee, or, the Trustee can sell the vested Awarded Shares for them and subsequently transfer the income arising from such sales to the relevant Share Award Grantees.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, each of the Share Award Grantees is a third party independent of the Company and connected persons of the Company.

Grant of cash to the Trustee for purchase of Awarded Shares pursuant to the Share Award Scheme

In connection with the grant of Awarded Shares, on 25 March 2013, the Board further resolved that the Company will grant a sum equivalent to approximately US\$2.3 million from its internal resources to the Trustee for purchase of Awarded Shares from the open market pursuant to the Share Award Scheme. Subject to the black-out restrictions under the Share Award Scheme, the Trustee shall arrange to utilize the sum of US\$2.3 million to purchase the maximum number of board lots of Shares from the open market within 30 calendar days after the receipt of any cash to make sure there are sufficient Awarded Shares to be vested to the Share Award Grantees at the relevant Share Award Vesting Date. Upon purchase of the Awarded Shares, the Trustee will hold the Awarded Shares upon trust for the relevant Share Award Grantees in accordance with the Share Award Scheme. The Awarded Shares held by the Trustee shall be vested to the Share Award Grantees in accordance with the vesting schedule determined by the Board upon all vesting conditions specified by the Board having been satisfied.

DEFINITIONS

“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rule
“Board”	the board of Directors
“Awarded Shares”	in respect of a Share Award Grantee, such number of Shares determined by the Board and purchased by the Trustee out of cash arranged to be paid by the Company out of the Company’s funds to the Trustee, pursuant to the terms of the Share Award Scheme
“Company”	IGG Inc, a public company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Growth Enterprise Market of the Stock Exchange
“connected person(s)”	has the meaning given to it under the GEM Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto in the GEM Listing Rule and unless the context requires otherwise, refers to Mr. Zongjian Cai (蔡宗建), Duke Online Holdings Limited (which is wholly owned by Mr. Zongjian Cai), Mr. Yuan Chi (池元), Edmond Online Holdings Limited (which is wholly owned by Mr. Yuan Chi), Ms. Kai Chen (陳凱) (spouse of Mr. Zongjian Cai), Mr. Zhixiang Chen (陳智祥), Mr. Yuan Xu (許元) and Mr. Hong Zhang (張竑)
“Director(s)”	director(s) of the Company
“Date of Grant”	25 March 2014, the date on which the Share Options and Awarded Shares are granted
“Eligible Person”	any employee or director (including, without limitation, any executive, non-executive or independent non-executive directors) of any member of the Group
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange as amended, modified or supplemented from time to time
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“IGG HK”	Skyunion Hong Kong Holdings Limited (天盟香港控股有限公司), a company incorporated under the laws of Hong Kong on 20 February 2006 and a wholly-owned subsidiary of the Company
“IGG Philippines”	IGG Philippines Corp., a company incorporated under the laws of the Philippines on 11 January 2013 and a wholly-owned subsidiary of the Company
“Share Award Grantee(s)”	the Eligible Persons selected by the Board on 25 March 2014, to whom the Awarded Share are granted on same date by the Board pursuant to the terms of the Share Award Scheme
“Share Award Scheme”	the share award scheme adopted by the Company on 24 December 2013
“Share Option Grantee(s)”	the grantees selected by the Board on 25 March 2014, to whom the Share Options are granted on the same date by the Board pursuant to the terms of the Share Option Scheme
“Share Options”	the 3,700,000 share options granted to the Share Option Grantees under Share Option Scheme on the Date of Grant
“Share Option Scheme”	the share option scheme adopted by the Company on 16 September 2013 by a resolutions of all shareholders of the Company
“Shares”	means share(s) of US\$0.0000025 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholders”	has the meaning ascribed thereto in the GEM Listing Rule
“Trustee”	Computershare Hong Kong Trustees Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed

“Trust Deed” a trust deed in relation to the Share Award Scheme for the Company to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)

“US\$” United States dollars, the lawful currency of the United States of America

By order of the Board
IGG INC
Zongjian Cai
Chairman

Hong Kong, 25 March 2014

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Zongjian Cai and Mr. Yuan Chi; two non-executive Directors, namely, Mr. Xiaojun Li and Mr. Kee Lock Chua; and three independent non-executive Directors, namely, Dr. Horn Kee Leong, Mr. Dajian Yu and Ms. Zhao Lu.

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

This announcement will remain on the “Latest Company Announcements” page of the Growth Enterprise Market website at <http://www.hkgem.com> for at least 7 days from the date of its posting and be posted on the website of the Company at <http://www.igg.com>.