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IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 799)

**GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME
AND
GRANT OF AWARDED SHARES UNDER THE SHARE AWARD SCHEME**

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

On 23 August 2018, the Board (including all independent non-executive Directors) based on the recommendation by the remuneration committee, resolved to grant a total of 150,000 Share Options to subscribe for 150,000 Shares pursuant to the Share Option Scheme, subject to the acceptances 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\$10.24 per Share, which represents the highest of (1) the nominal value of the Share; (2) the closing price of HK\$10.24 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\$9.47 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 23 August 2019	25% of the total number of Share Options granted
On 23 August 2020	25% of the total number of Share Options granted
On 23 August 2021	25% of the total number of Share Options granted
On 23 August 2022	25% of the total number of Share Options granted

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, none of the Share Option Grantees is a Director, chief executive or substantial shareholder of the Company, nor an associate of any of them.

GRANT OF AWARDED SHARES

On 23 August 2018, the Board (including all independent non-executive Directors) based on the recommendation of the remuneration committee, resolved to grant a total of 1,406,618 Awarded Shares, which have been acquired by the Trustee from the open market by utilising the Company’s internal resources provided to the Trustee, to the Share Award Grantees of the Group pursuant to the Share Award Scheme at nil consideration, subject to the acceptances by the Share Award Grantees.

Details of the Share Award Grantees are set out below:

Share Award Grantees	Number of Awarded Shares
Independent third parties	1,356,618
Connected person	
– Mr. Shuo Wang (“ Mr. Wang ”) (a director of certain wholly-owned subsidiaries of the Company)	<u>50,000</u>
Total	<u>1,406,618</u>

Since Mr. Wang is a director of certain wholly-owned subsidiaries of the Company, and is therefore a connected person of the Company, the grant of Awarded Shares to him constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As all of the applicable percentage ratios are below 0.1% and the grant of Awarded Shares is on normal commercial terms, such grant of Awarded Shares to Mr. Wang is fully exempt from reporting, announcement and shareholders’ approval under Rule 14A.76(1) of the Listing Rules.

Save as disclosed above, all the other Share Award Grantees are third parties independent of the Company and its connected persons.

The 1,406,618 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 1,406,618 Awarded Shares represent the value of approximately HK\$14.4 million, taking into account of the closing price of HK\$10.24 per Share as stated in the daily quotation sheets issued by the Stock Exchange on 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 23 August 2019	25% of the total number of Awarded Shares granted
On 23 August 2020	25% of the total number of Awarded Shares granted
On 23 August 2021	25% of the total number of Awarded Shares granted
On 23 August 2022	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.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Awarded Shares”	The 1,406,618 awarded Shares granted to the Share Award Grantees pursuant to the Share Award Scheme on the Date of Grant
“Board”	the board of Directors
“Company”	IGG Inc, an exempted company incorporated in the Cayman Islands and whose shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Date of Grant”	23 August 2018, the date on which the Share Options and the Awarded Shares are granted
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share Award Grantee(s)”	the grantees selected by the Board on 23 August 2018, to whom the Awarded Shares are granted on the 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, the principal terms of which are summarised in the announcement of the Company dated 24 December 2013

“Share(s)”	means ordinary share(s) of US\$0.0000025 each in the share capital of the Company
“Share Options”	the 150,000 share options granted to the Share Option Grantees pursuant to the Share Option Scheme on the Date of Grant
“Share Option Grantee(s)”	the grantees selected by the Board on 23 August 2018, to whom the Share Options are granted on the same date by the Board pursuant to the terms of the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 16 September 2013 by a resolution of all shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Trust Deed”	a trust deed in relation to the Share Award Scheme for the Company entered into between the Company and the Trustee on 17 February 2014 (as restated, supplemented and amended from time to time)
“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
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By order of the Board
IGG INC
Zongjian Cai
Chairman

Hong Kong, 23 August 2018

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Zongjian Cai, Mr. Yuan Xu, Mr. Hong Zhang, Ms. Jessie Shen and Mr. Feng Chen; one non-executive Director, namely, Mr. Yuan Chi; and three independent non-executive Directors, namely, Dr. Horn Kee Leong, Mr. Dajian Yu and Ms. Zhao Lu.