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## **IGG INC**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 799)**

**(1) PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION;  
(2) PROPOSED APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR;  
(3) PROPOSED TERMINATION OF THE SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME AND AMENDMENTS TO THE SHARE AWARD SCHEME**

**(1) PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION**

The Board proposes to amend the Existing M&A of the Company, among others, (i) to conform to the amended Appendix 3 to the Listing Rules regarding the adoption of the Core Standards which came into effect on 1 January 2022; and (ii) to make certain house-keeping amendments to the Existing M&A for the purpose of clarifying existing practices and making consequential amendments in line with the Listing Rules. The Board proposes that the Company adopts the Amended M&A in substitution for, and to the exclusion of, the Existing M&A.

The Amended M&A shall be subject to the passing of a special resolution by the Shareholders at the AGM and will become effective upon the approval by the Shareholders at the AGM.

**(2) PROPOSED APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

The Board wishes to announce that, after considering the recommendation of the nomination committee of the Company, the Board proposes to appoint Mr. Kam Wai Man as an independent non-executive Director. The proposed appointment of Mr. Kam Wai Man is subject to the approval by the Shareholders at the AGM by way of ordinary resolution and will take effect, if approved, from the conclusion of the AGM.

**(3) PROPOSED TERMINATION OF THE SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME AND AMENDMENTS TO THE SHARE AWARD SCHEME**

Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. On 28 March 2023, the Board resolved to (i) propose the termination of the Share Option Scheme; (ii) propose the adoption of the Share Incentive Scheme; and (iii) approve the amendments to be made to the Share Award Scheme which will take effect from 28 June 2023, to bring the schemes in line with the amended Listing Rules.

According to the terms of the Share Option Scheme, the Company may by resolution in general meeting at any time resolve to terminate the operation of the Share Option Scheme and in such event, no further options will be offered but the provision of the Share Option Scheme shall remain in force and effect in all other respects. All options granted under the Share Option Scheme prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

The Board proposes to terminate the operation of the Share Option Scheme before it is due to expire. Subject to the approval of the Shareholders at the AGM, the Share Option Scheme shall be terminated such that no further options could thereafter be offered under the Share Option Scheme but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

The Share Incentive Scheme will constitute a share scheme involving the grant of new Shares under the amended Listing Rules. Pursuant to the Listing Rules, share schemes involving the grant of new shares must be approved by shareholders of the listed issuer in general meeting. Accordingly, the adoption of the Share Incentive Scheme will be subject to, among others, Shareholders' approval at the AGM.

The Share Award Scheme, upon the effective date of the Proposed Amendments to the Share Award Scheme, will be funded by existing Shares to be acquired by the Trustee from the open market by utilizing the Company's resources provided to the Trustee. The amended Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules, but does not constitute a scheme involving the issue of new shares as referred to in Chapter 17. Therefore, the Proposed Amendments to the Share Award Scheme will not be subject to Shareholders' approval.

The circular containing, inter alia, (i) details in relation to the proposed amendments to the Existing M&A and the adoption of the Amended M&A; (ii) details of the proposed independent non-executive Director; (iii) details of the termination of the Share Option Scheme and the adoption of the Share Incentive Scheme; and (iv) notice of the AGM, will be despatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

## **(1) PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION**

The Board proposes to amend the Existing M&A of the Company, among others, (i) to conform to the amended Appendix 3 to the Listing Rules regarding the adoption of the core shareholder protection standards (“**Core Standards**”) which came into effect on 1 January 2022; and (ii) to make certain house-keeping amendments to the Existing M&A for the purpose of clarifying existing practices and making consequential amendments in line with the Listing Rules. The Board proposes that the Company adopts the Amended M&A in substitution for, and to the exclusion of, the Existing M&A.

The Amended M&A shall be subject to the passing of a special resolution by the Shareholders at the AGM and will become effective upon the approval by the Shareholders at the AGM.

## **(2) PROPOSED APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

Pursuant to code provision B.2.4 of Appendix 14 to the Listing Rules, where all the independent non-executive directors of the Company have served more than nine years on the Board, the Company should appoint a new independent non-executive director on the Board, therefore, the Board wishes to announce that, after considering the recommendation of the nomination committee of the Company, the Board proposes to appoint Mr. Kam Wai Man (“**Mr. Kam**”) as an independent non-executive Director. The proposed appointment of Mr. Kam is subject to the approval by the Shareholders at the AGM by way of ordinary resolution and will take effect, if approved, from the conclusion of the AGM.

Set out below is the biographical profile of Mr. Kam:

Mr. Kam, aged 48, has over 19 years of working experience in corporate finance. Mr. Kam has served as a managing director of Innovax Capital Limited (“**Innovax Capital**”) and been a responsible officer of Innovax Capital for Type 6 regulated activities (advising on corporate finance) under the SFO since 2017, and he is also one of the sponsor principals of Innovax Capital Limited. From April 2003 to November 2005, he served as a licensed representative at Kingsway Capital Limited. He then worked at China Everbright Capital Limited from November 2005 to February 2017 with his last position being the managing director and head of the corporate finance department.

Mr. Kam obtained a bachelor of arts (honors) in business studies from City University of Hong Kong in November 1997 and a Postgraduate Diploma in Professional Accountancy from the Chinese University of Hong Kong in December 2004. He is a member of the Hong Kong Institute of Certified Public Accountants and a CFA Institute charterholder.

He has been an independent non-executive director of Duiba Group Limited (Stock code: 1753) since April 2019 and Wealthy Way Group Limited (Stock code: 3848) since January 2020, both of which are companies listed on the Stock Exchange.

Subject to the approval by the Shareholders at the AGM on the appointment of Mr. Kam as an independent non-executive Director, a service contract will be entered into between the Company and Mr. Kam for an initial term of three years commencing from the date of approval by the Shareholders at the AGM on his appointment, subject to retirement by rotation and re-election pursuant to the Amended M&A.

Mr. Kam will be entitled to receive director's fee of US\$30,000 per annum which was determined by the Board based on the recommendation of the Remuneration Committee with reference to his duties and responsibilities and the prevailing market conditions. Mr. Kam's remuneration is subject to review by the Remuneration Committee and the Board from time to time.

Save as disclosed above, as at the date of this announcement, Mr. Kam (i) does not hold any positions with any members of the Group; (ii) does not hold any directorships in any other public companies listed in Hong Kong or overseas in the last three years; (iii) does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company (as defined in the Listing Rules); and (iv) does not have, or is not deemed to have, any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr. Kam confirmed that he meets the independence criteria as set out in Rule 3.13 of the Listing Rules. Saved as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter in relation to his proposed appointment that needs to be brought to the attention of the Shareholders.

### **(3) PROPOSED TERMINATION OF THE SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME AND AMENDMENTS TO THE SHARE AWARD SCHEME**

Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. On 28 March 2023, the Board resolved to (i) propose the termination of the Share Option Scheme; (ii) propose the adoption of the Share Incentive Scheme; and (iii) approve the amendments to be made to the Share Award Scheme which will take effect from 28 June 2023, to bring the schemes in line with the amended Listing Rules.

#### **(i) Proposed Termination of the Share Option Scheme**

The Share Option Scheme was adopted by the Company by a resolution of all the Shareholders passed on 16 September 2013. It shall be valid and effective for a period of 10 years commenced on the first date upon which the Shares were listed on GEM of the Stock Exchange (i.e. 18 October 2013) and will expire on 17 October 2023.

According to the terms of the Share Option Scheme, the Company may by resolution in general meeting at any time resolve to terminate the operation of the Share Option Scheme and in such event, no further options will be offered but the provision of the Share Option Scheme shall remain in force and effect in all other respects. All options granted under the Share Option Scheme prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

As at the date of this announcement, there were 4,665,000 outstanding options granted but not yet exercised under the Share Option Scheme and the Board has no intention of granting any further option under the Share Option Scheme.

The Board proposes to terminate the operation of the Share Option Scheme before it is due to expire. Subject to the approval of the Shareholders at the AGM, the Share Option Scheme shall be terminated such that no further options under the Share Option Scheme could thereafter be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

## **(ii) Proposed Adoption of the Share Incentive Scheme**

Pursuant to the Share Incentive Scheme, the awards will be satisfied by new Shares to be allotted and issued by the Company pursuant to the scheme rules of the Share Incentive Scheme.

The Share Incentive Scheme will constitute a share scheme involving the grant of new Shares under the amended Listing Rules. Pursuant to the Listing Rules, share schemes involving the grant of new shares must be approved by shareholders of the listed issuer in general meeting. Accordingly, the adoption of the Share Incentive Scheme will be subject to, among others, Shareholders' approval at the AGM.

The Share Incentive Scheme shall be valid and effective for a period of 10 years commencing on the date of its adoption at the AGM and is conditional upon: (i) the passing of an ordinary resolution at the AGM to approve the adoption of the Share Incentive Scheme; and (ii) the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may fall to be issued to satisfy the awards which may be granted under the Share Incentive Scheme.

A summary of the principal terms of the Share Incentive Scheme will be set out in a circular to be despatched to the Shareholders in due course.

## **(iii) Amendments to the Share Award Scheme**

The Share Award Scheme was adopted by the Company on 24 December 2013 and amended on 19 August 2021.

Pursuant to the rules of the Share Award Scheme, the Board may alter the terms and conditions of the Share Award Scheme in any respect by a resolution of the Board. On 28 March 2023, the Board resolved to amend the following key terms of the Share Award Scheme which will take effect from 28 June 2023:-

### ***(a) Source of awarded shares under the Share Award Scheme (“Awarded Shares”)***

To delete the provisions of allowing the Board to allot and issue Awarded Shares by general mandate granted to the Board to satisfy the issue of Awarded Shares upon vesting of an award under the Share Award Scheme.

To require the Trustee to acquire the Awarded Shares from the open market by utilizing the Company's resources provided to the Trustee. The amended Share Award Scheme shall be funded by existing Shares of the Company only.

### ***(b) Duration of the Share Award Scheme***

The Share Award Scheme shall be valid and effective for a renewal term of 10 years commencing on the effective date of amendment (i.e. 28 June 2023).

**(c) *Restrictions on time of grant of awards***

To provide more flexibility to the Company to grant awards under the Share Award Scheme, to revise the provision relating to the restrictions on time of grant of awards to eligible persons as follows:

No award shall be made by the Board to any eligible person:

- (a) after inside information has come to its knowledge until such inside information has been announced; or
- (b) during the period commencing one month immediately preceding the earlier of
  - (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement; and where a grant of an award is to a Director or his/her associates, no award may be granted on any day on which the financial results of the Company are published and during the period of:

- (iii) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (iv) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

**(d) *Minor amendments***

To update certain terminologies and references in line with the amendments to subparagraph (a) above.

The Share Award Scheme, upon the effective date of the Proposed Amendments to the Share Award Scheme, will be funded by existing Shares to be acquired by the Trustee from the open market by utilizing the Company's resources provided to the Trustee. The amended Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules, but does not constitute a scheme involving the issue of new Shares as referred to in Chapter 17. Therefore, the Proposed Amendments to the Share Award Scheme will not be subject to Shareholders' approval.

#### **(4) GENERAL**

A circular containing, inter alia, (i) details in relation to the proposed amendments to the Existing M&A and the adoption of the Amended M&A; (ii) details of the proposed independent non-executive Director; (iii) details of the termination of the Share Option Scheme and the adoption of the Share Incentive Scheme; and (iv) notice of the AGM, will be despatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

#### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings ascribed to them below:

“AGM”	the annual general meeting of the Company to be held on Thursday, 29 June 2023
“Amended M&A”	the third amended and restated memorandum of association and articles of association of the Company to be adopted by the Company subject to the approval of the Shareholders by way of a special resolution at the AGM
“Board”	the board of directors of the Company
“Company”	IGG Inc, an exempted company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Existing M&A”	the second amended and restated memorandum of association and articles of association of the Company adopted at a general meeting held on 30 June 2020 and effective on 30 June 2020
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Proposed Amendments to the Share Award Scheme”	the proposed amendments to the Share Award Scheme as approved by the Board on 28 March 2023 which will take effect from 28 June 2023
“Remuneration Committee”	the remuneration committee of the Board
“SFO”	the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong)
“Shares”	shares of US\$0.0000025 each in the capital of the Company
“Shareholder(s)”	holder of the Share(s)
“Share Award Scheme”	the share award scheme adopted by the Company on 24 December 2013 and amended on 19 August 2021, the principal terms of which are summarised in the announcements of the Company dated 24 December 2013 and 19 August 2021
“Share Incentive Scheme”	the share incentive scheme proposed to be adopted at the AGM
“Share Option Scheme”	the share option scheme adopted by the Company on 16 September 2013
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	a professional trustee which the Company appointed to assist with the administration of the Share Award Scheme from time to time
“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, 28 March 2023

*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.*