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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 IGG Inc (the “Company”), you should at once hand this circular together with the accompanying 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.

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IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8002)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
DECLARATION OF FINAL DIVIDEND, PROCEDURES FOR
SHAREHOLDERS TO PROPOSE FOR ELECTION AS A DIRECTOR,
RE-ELECTION OF RETIRING DIRECTORS,
APPROVAL OF THE SHARE AWARD SCHEME
AND
NOTICE OF AGM**

A notice convening the AGM of the Company to be held at Hennessy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 9 May 2014 at 3:00 p.m. is set out on pages 29 to 33 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and on the website of the Company at <http://www.igg.com>.

31 March 2014

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Adoption Date”	24 December 2013, the date on which the Share Award Scheme is adopted by the Board
“AGM”	the annual general meeting of the Company to be held at Hennessy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 9 May 2014 at 3:00 p.m. or any adjournment thereof
“AGM Notice”	the notice convening the AGM set out on pages 29 to 33 of this circular
“Annual Report”	the annual report of the Company for the year ended 31 December 2013
“Articles of Association” or “Articles”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Award”	an award of Shares by the Company to a Selected Grantee
“Awarded Shares”	in respect of a Selected Grantee, such number of Shares determined by the Board and subscribed for and/ or 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
“Board”	the board of directors of the Company
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	IGG Inc, an exempt company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under GEM Listing Rules

DEFINITIONS

“Controlling Shareholders”	has the meaning ascribed to it under GEM Listing Rules and unless the context requires otherwise, refers to Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online, Ms. Kai Chen (spouse of Mr. Zongjian Cai), Mr. Zhixiang Chen, Mr. Yuan Xu and Mr. Hong Zhang who became the controlling shareholders of the Group after the listing of the Company
“Director(s)”	the director(s) of the Company
“Duke Online”	Duke Online Holdings Limited, an exempted company incorporated under the laws of the BVI on 10 September 2007 with limited liability, the entire issued share capital of which is owned by Mr. Zongjian Cai
“Edmond Online”	Edmond Online Holdings Limited, an exempted company incorporated under the laws of the BVI on 10 September 2007 with limited liability, the entire issued share capital of which is owned by Mr. Yuan Chi
“Eligible Person”	any employee or director (including, without limitation, any executive, non-executive or independent non-executive directors) of any member of the Group
“Excluded Grantee”	any grantee who is resident in a place where the settlement of the Reference Amount (as defined in the Share Award Scheme) and the award of the Awarded Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws and regulations of such place or where in the view of the Board (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such grantee
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the aggregate nominal value of the Shares which may be allotted and issued under the Issue Mandate may be extended by an addition of an amount representing the aggregate nominal value of Shares repurchased under the Repurchase Mandate
“Final Dividend”	the final dividend of US0.2 cents (equivalent to HK1.6 cents) per ordinary Share for the year ended 31 December 2013 which is proposed by the Board, subject to Shareholders’ approval at the AGM
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

DEFINITIONS

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$” and “HK cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“Latest Practicable Date”	25 March 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Date”	18 October 2013, the date on which dealings in Shares first commenced on GEM
“PRC”	the People’s Republic of China
“Pre-IPO Share Option Scheme”	the share option scheme adopted by the Company on 12 November 2008 and amended by written resolutions of all Shareholders passed on 16 September 2013
“Reference Date”	the date of final approval by the Board of the total number of Shares to be awarded to the Selected Grantees in a single occasion pursuant to the Share Award Scheme or the date of an Award by the Trustee pursuant to the Trust Deed
“Related Income”	all income derived from a Share (net of all expenses or charges incurred in relation to the receipt or payment of such income) held upon the Trust in the form of Shares (including but not limited to, any bonus Shares or scrip Shares received in respect of the Share) in money. For the avoidance of doubt, excluding any nil paid right, bonus warrant, or Residual Cash
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase the Shares on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“Residual Cash”	being cash remaining in the trust fund (including interest income derived from deposits maintained with licensed banks in Hong Kong which have not been applied in the acquisition and/or subscription of Shares)

DEFINITIONS

“Returned Shares”	such Awarded Shares and Related Income which are not vested and/or forfeited in accordance with the terms of the Share Award Scheme (whether as a result of a Total Lapse (as defined in the Share Award Scheme) or a Partial Lapse (as defined in the Share Award Scheme) or otherwise), or was forfeited in accordance with the terms of the Share Award Scheme, or such Shares being deemed to be Returned Shares
“Selected Grantee(s)”	Eligible Person(s) selected by the Board pursuant to the terms of the Share Award Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of US\$0.0000025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Award Scheme”	the share award scheme adopted by the Company on 24 December 2013
“Share Option Scheme”	the share option scheme adopted by the Company on 16 September 2013
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers
“Trust”	the trust constituted by 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)
“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\$”, “USD” and “US cents”	United States dollars and cents, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD



IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8002)

Executive Directors:

Mr. Zongjian Cai (*Chairman*)

Mr. Yuan Chi

Non-executive Directors:

Mr. Xiaojun Li

Mr. Kee Lock Chua

Independent Non-executive Directors:

Dr. Horn Kee Leong

Mr. Dajian Yu

Ms. Zhao Lu

Registered office:

Offshore Incorporations (Cayman) Limited

Floor 4, Willow House, Cricket Square

P.O. Box 2804, Grand Cayman, KY1-1112

Cayman Islands

*Headquarters and principal place
of business in Singapore:*

No. 10 Jalan Kilang

Sime Darby Enterprise Centre

#07-03 Singapore 159410

Principal place of business in Hong Kong:

18/F, Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

31 March 2014

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
DECLARATION OF FINAL DIVIDEND, PROCEDURES FOR
SHAREHOLDERS TO PROPOSE FOR ELECTION AS A DIRECTOR,
RE-ELECTION OF RETIRING DIRECTORS,
APPROVAL OF THE SHARE AWARD SCHEME
AND
NOTICE OF AGM**

INTRODUCTION

The purpose of this circular is to provide you with information relating to the proposals for (i) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; (ii) declaration of Final Dividend; (iii) procedures for Shareholders to propose for election as a Director; (iv) the re-election of retiring Directors; (v) the approval of Share Award Scheme; and to give you notice of the AGM.

LETTER FROM THE BOARD

PROPOSED GRANT OF ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the written resolutions passed by all Shareholders on 16 September 2013, the Directors were granted (a) a general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the Listing Date; (b) a general and unconditional mandate to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the Listing Date; and (c) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to the mandate to repurchase securities referred to in (b) above.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,359,162,099 Shares. Subject to passing of the resolution approving the Issue Mandate and on the basis that no further Shares are issued prior to the AGM, the Company would be allowed under the resolution approving the Issue Mandate to issue a maximum of 271,832,419 Shares representing not more than 20% of the issued share capital of the company as at the Latest Practicable Date.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,359,162,099 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution of Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the resolution of Repurchase Mandate will be 135,916,209 Shares.

The above general mandates will expire at the conclusion of the AGM. At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

The full text of the above resolutions are set out in resolutions No. 9 to 11 as set out in the notice of the AGM contained in pages 29 to 33 of this circular.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the

LETTER FROM THE BOARD

AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company following the AGM.

Under the GEM Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

As stated in the announcement of the Company dated 21 March 2014 relating to the annual results of the Group for the year ended 31 December 2013, the Board recommended the payment of the Final Dividend to Shareholders whose names appear on the register of members of the Company on Tuesday, 20 May 2014. The proposed Final Dividend is subject to the approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM. If the resolution for the proposed Final Dividend is passed at the AGM, the Final Dividend is expected to be paid on or about Thursday, 29 May 2014.

The register of members of the Company will be closed from Friday, 16 May 2014 to Tuesday, 20 May 2014, both days inclusive, during which period no transfer of Share will be registered. In order to qualify for the proposed Final Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 15 May 2014.

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

Article 85 of the Articles provides that:

“No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

LETTER FROM THE BOARD

For the purpose of the Articles:

- (i) “Member” means a duly registered holder from time to time of the shares in the capital of the Company;
- (ii) “Notice” means written notice unless otherwise specifically stated and as further defined in the Articles; and
- (iii) “Registration Office” means, in respect of any class of share capital, such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be validly served at the Company’s principal place of business in Hong Kong at 18/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong or at the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, including (i) his/her notice of intention to propose a resolution at the general meeting; and (ii) a notice signed by the nominated candidate of the candidate’s willingness to be appointed together with (a) that candidate’s information as required to be disclosed under Rule 17.50(2) of the GEM Listing Rules and such other information, as set out in the below heading “Required information of the candidate(s) nominated by Shareholders”, and (b) the candidate’s written consent to the publication of his/her personal data.

If the documents are served after the Company has given notice of general meeting appointed for the election of director, the period for service of documents will commence on the day after the date of the notice of such general meeting and end seven (7) days prior to the date of such general meeting.

Required information of the candidate(s) nominated by Shareholders

In order to enable Shareholders to make an informed decision on their election of Directors, the above described notice of intention to propose a resolution by a Shareholder should be accompanied by the following information of the nominated candidate(s):

- (a) full name and age;
- (b) positions held with the Company and its subsidiaries (if any);
- (c) experience including (i) other directorships held in the past three years in public companies of which the securities are listed on any securities market in Hong Kong and overseas, and (ii) other major appointments and professional qualifications;

LETTER FROM THE BOARD

- (d) current employment and such other information (which may include business experience and academic qualifications) of which Shareholders should be aware of pertaining to the ability or integrity of the candidate;
- (e) length or proposed length of service with the Company;
- (f) relationships with any Directors, senior management, substantial shareholders or Controlling Shareholders of the Company, or an appropriate negative statement;
- (g) interests in the Shares of US\$0.0000025 each within the meaning of Part XV of SFO, or an appropriate negative statement;
- (h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 17.50(2)(h) to (w) of the GEM Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that nominated candidate's standing for election as a Director that should be brought to Shareholders' attention; and
- (i) contact details.

The Shareholder proposing the candidate will be required to read out aloud the proposed resolution at the general meeting.

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 84 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Accordingly, Mr. Zongjian Cai, Mr. Yuan Chi and Mr. Xiaojun Li will retire by rotation and, being eligible, offer themselves for re-election at the AGM.

Details of Mr. Zongjian Cai, Mr. Yuan Chi and Mr. Xiaojun Li, who are proposed to be re-elected at the AGM, are set out in Appendix II to this circular.

LETTER FROM THE BOARD

APPROVAL OF THE SHARE AWARD SCHEME

Adoption of the Share Award Scheme

As disclosed in the announcement of the Company dated 24 December 2013, the Company has adopted the Share Award Scheme on 24 December 2013. The purpose of the Share Award Scheme is to recognise the contributions by certain Selected Grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group.

The Share Award Scheme will operate in parallel with the Company's Pre-IPO Share Option Scheme adopted by the Company on 12 November 2008, as amended on 16 September 2013 pursuant to the Shareholders' resolutions and the Share Option Scheme adopted on 16 September 2013 pursuant to the Shareholders' resolutions. All options granted under the Pre-IPO Share Option Scheme will continue to be valid and exercisable subject to and in accordance with the terms of such scheme.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 23 of the GEM Listing Rules.

The operation of the Share Award Scheme

The Share Award Scheme shall be subject to the administration of the Board in accordance with the terms stated in the Share Award Scheme. The Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the Trust Deed.

Under the Share Award Scheme, except for the Excluded Grantees, any employee or director of the Group is eligible to be granted an Award or Awards. The Board may, from time to time, at their absolute discretion select any Eligible Person (excluding any Excluded Grantee) for participation in the Share Award Scheme as a Selected Grantee. However, until so selected, no Eligible Person shall be entitled to participate in the Share Award Scheme.

Subject to terms of the Share Award Scheme, the Board shall select Selected Grantee(s) and determine the number of Awarded Shares, and the terms and conditions of the Awarded Shares, including the vesting schedule and inform the relevant Selected Grantee accordingly by a letter of grant, and such Award shall be deemed to be accepted by the Selected Grantee when the Company receives a duplicate of the letter of grant signed by such Selected Grantee within 28 days after the granting.

The Awarded Shares (where the Board has determined such number pursuant to the terms of the Share Award Scheme) shall be either (i) allotted and issued by the Company, by using the general mandate granted to the Board by the Shareholders in the annual general meeting of the Company from time to time, unless separate Shareholders' approval is obtained in a general meeting of the Company, or (ii) acquired by the Trustee from the open market by utilising the Company's resources provided to the Trustee, subject to the absolute discretion of the Board. The Company will grant cash to the Trustee to enable the Share Award Scheme to operate with necessary funds to purchase and / or subscribe for Shares.

LETTER FROM THE BOARD

It is intended that the Awarded Shares under the Share Award Scheme will be offered to the Selected Grantees to take up the relevant Awarded Shares for no consideration subject to the compliance with the relevant laws and regulations, and certain conditions to be decided by the Board at the time of grant of the Awarded Shares under the Share Award Scheme. Details of the grant of the Awarded Shares under the Share Award Scheme will be provided in the letters of grant to be issued by the Company to the Selected Grantees and also in the instructions to the Trustee, subject always to compliance with the GEM Listing Rules, Takeovers Code and any other applicable laws and regulations.

Limit of the Share Award Scheme

The Board shall not make any further award of Awarded Shares which will result in the number of Shares awarded by the Board under the Share Award Scheme would represent in excess of ten (10) per cent. of the issued share capital of the Company as at the Adoption Date.

The maximum number of Shares which may be subject to an Award or Awards to a Selected Grantee at any one time shall not in aggregate exceed one (1) per cent. of the issued share capital of the Company as at the Adoption Date.

The number of Awarded Shares (if comprising of new Shares) shall be allotted and issued by the Company using the general mandate granted to the Board by the Shareholders unless separate Shareholders' approval is obtained in a general meeting of the Company.

The maximum number of Shares to all controlling shareholders which may be subject to an Award or Awards in any of the 12 months shall not in aggregate exceed two (2) per cent. of the issued share capital of the Company from time to time.

The Awarded Shares held by the Trustee from time to time shall be less than 5% of the issued share capital of the Company.

Approval of the Share Award Scheme

Given the Eligible Persons also include the Group's employees resident in California, in relation to the Awarded Shares which might be granted to employees resident in California, to the extent required by California Securities Laws, continuance of the Share Award Scheme shall be subject to approval by the Shareholders within 12 months before or after the date the Share Award Scheme is adopted or, to the extent required by applicable laws, any date the Share Award Scheme is amended. Therefore, a resolution to approve, confirm and ratify the adoption of the Share Award Scheme will be proposed at the AGM.

Further details about the Share Award Scheme

A summary of the principal terms of the Share Award Scheme which is proposed to be approved, confirmed and ratified at the AGM is set out in Appendix III to this circular. A copy of the Share Award

LETTER FROM THE BOARD

Scheme is available for inspection at the principal place of business of the Company in Hong Kong at 18/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong during normal business hours on any weekdays other than public holidays from the date of this circular up to and including the date of the AGM and at the AGM.

AGM AND PROXY ARRANGEMENT

A notice of the AGM is set out on page 29 to page 33 of this circular. At the AGM, resolutions relating to, inter ultra, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, re-election of the retiring Directors and the approval of the Share Award Scheme will be proposed.

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 7 May 2014 to Friday, 9 May 2014 both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the AGM, all transfers of Shares, accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 5 May 2014.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM or at any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

According to the Rule 17.47(4) of GEM Listing Rules and Article 66 of the Articles, all votes at the AGM will be taken by poll.

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of AGM, including, among others, (a) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, (b) the re-election of retiring Directors, (c) the declaration of the Final Dividend, and (d) the approval of the Share Award Scheme, 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 all resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, 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 circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL

If there is any inconsistency between the English and Chinese texts of this circular and the form of proxy, the English text of this circular and form of proxy shall prevail over the Chinese text. Your attention is also drawn to the information set out in the appendix to this circular.

Yours faithfully
For and On behalf of the Board
IGG INC
Zongjian Cai
Chairman

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to enable Shareholders to make an informed decision as to whether to vote for or against the resolution to approve the grant of the Repurchase Mandate.

1. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listing is on GEM to repurchase their shares on GEM or any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong and GEM subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such companies must be fully paid up and all repurchase of shares by such companies must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,359,162,099 ordinary Shares. Subject to the passing of resolution No. 10 approving the Repurchase Mandate as set out in the AGM Notice on pages 29 to 33 of this circular, and assuming that no Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 135,916,209 Shares, representing 10% of the issued share capital of the Company as at the date of passing of resolution No. 10, until (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 to be held by the Articles or the Companies Law; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting, whichever is the earliest.

3. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, the Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share.

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles, the Companies Law and other applicable laws of the Cayman Islands. Under the Companies Law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, out of capital subject to and in accordance with the Companies Law.

Any premium payable on repurchase must be paid out of profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased in the manner provided in the Companies Law.

5. EFFECT OF EXERCISING THE REPURCHASE MANDATE

Taking into account of the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position disclosed in the most recent published audited accounts.

However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. DIRECTORS' UNDERTAKING

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor any of their Associates has any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power to make repurchase pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the Articles, the Companies Law and any other applicable laws of the Cayman Islands.

No connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any Shares held by him to the Company in the event that the Repurchase Mandate is granted.

7. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If, as a result of a Share's repurchase, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code.

Accordingly, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the following Shareholders are interested in 5% or more of the Company's issued share capital:

Name of Shareholders	Capacity/Nature of interest	Number of Shares interested	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Duke Online (<i>Note 1</i>)	Beneficial owner, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Mr. Zongjian Cai (<i>Notes 1, 2</i>)	Interest in a controlled corporation, spouse interest, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Edmond Online (<i>Note 1</i>)	Beneficial owner, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Mr. Yuan Chi (<i>Notes 1, 3</i>)	Interest in a controlled corporation, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Mr. Yuan Xu (<i>Note 1</i>)	Beneficial owner, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Mr. Hong Zhang (<i>Note 1</i>)	Beneficial owner, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Ms. Kai Chen (<i>Note 1, 4</i>)	Beneficial owner, spouse interest, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
Mr. Zhixiang Chen (<i>Note 1</i>)	Beneficial owner, interests held jointly with another person	446,599,179 Shares	32.86%	36.51%
IDG Group (<i>Note 5</i>)	Beneficial owner	287,577,880 Shares	21.16%	23.51%
IDG-Accel China Growth Fund GP II Associates Ltd. (<i>Note 5</i>)	Interest in a controlled corporation	287,577,880 Shares	21.16%	23.51%
IDG-Accel China Growth Fund II Associates L.P. (<i>Note 5</i>)	Interest in a controlled corporation	265,837,000 Shares	19.56%	21.73%
Vertex Asia Investments Pte. Ltd. (<i>Note 6</i>)	Beneficial owner	119,225,000 Shares	8.77%	9.75%
Temasek Holdings (Private) Limited	Interest in a controlled corporation	119,225,000 Shares	8.77%	9.75%

Note:

- On 16 September 2013, Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online, Mr. Yuan Xu, Ms. Kai Chen, Mr. Hong Zhang and Mr. Zhixiang Chen entered into an act in concert agreement, pursuant to which each of them agreed that they would act in concert with each other with respect to material matters relating to the Company's operation. Each of Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online, Mr. Yuan Xu, Ms. Kai Chen, Mr. Hong Zhang and Mr. Zhixiang Chen is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
- Mr. Zongjian Cai is interested in all the issued share capital of Duke Online and he is therefore deemed to be interested in 178,699,027 Shares held by Duke Online under the SFO. Mr. Zongjian Cai is also deemed to be interested in all Shares held by Ms. Kai Chen under the SFO.

3. Mr. Yuan Chi is interested in all the issued share capital of Edmond Online and he is therefore deemed to be interested in 158,080,000 Shares held by Edmond Online under the SFO.
4. Ms. Kai Chen is the spouse of Mr. Zongjian Cai. Ms. Kai Chen is deemed to be interested in the same number of Shares held by Mr. Zongjian Cai is interested under the SFO.
5. The IDG Group is comprised of two limited partnerships, IDG-Accel China Growth Fund II L.P., which holds 265,837,000 Shares and IDG-Accel China Investors II L.P., which holds 21,740,880 Shares. Each member of the IDG Group is managed by its general partner, who has the full and exclusive power and authority to manage and control the fund and its business. Each member of the IDG Group also consists of limited partner or limited partners who merely play the passive function of injecting capital into the fund and have no voting or management right. The members of the IDG Group are equity investment in portfolios with China-related business and operations.

IDG-Accel China Growth Fund II L.P. is controlled by its general partner, namely, IDG-Accel China Growth Fund II Associates L.P., which is, in turn, controlled by its general partner, namely, IDG-Accel China Growth Fund GP II Associates Ltd. Therefore, each of IDG-Accel China Growth Fund II Associates L.P. and IDG-Accel China Growth Fund GP II Associates Ltd. is deemed to be interested in all Shares held by IDG-Accel China Growth Fund II L.P. under the SFO.

IDG-Accel China Investors II. L.P. is controlled by its general partner, IDG-Accel China Growth Fund GP II Associates Ltd. Therefore, IDG-Accel China Growth Fund GP II Associates Ltd. is deemed to be interested in all Shares held by IDG-Accel China Investors II. L.P. under the SFO.

6. Vertex Asia Investments Pte. Ltd. is 100% owned by Vertex Venture Holdings Limited, which is ultimately owned by Temasek Holdings (Private) Limited.

Saved as disclosed above, no other interest or short position in the Shares and underlying Shares of the Company were recorded in the register required to be kept under Section 336 of the SFO as at the Latest Practicable Date.

Based on the holdings of the above Shareholders as at the Latest Practicable Date, in the event the Directors exercise in full the Repurchase Mandate to repurchase Shares, it will trigger the Takeovers Code as a result of which the aggregate interests of the above Shareholders will be increased proportionately to 36.51% and such Shareholders may be obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors do not have any present intention to exercise the Repurchase Mandate to such an extent as will trigger the Takeovers Code.

The GEM Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in hands of public falling below the prescribed minimum percentage of 25%.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on Stock Exchange or otherwise) since 18 October 2013, being the Listing Date, up to and including the Latest Practicable Date.

9. SHARE PRICES

The highest and lowest prices at which the Shares were traded on GEM since 18 October 2013 being the Listing Date, and up to the Latest Practicable Date were as follows:

	Shares	
	Highest	Lowest
2013		
October (from Listing Date)	4.70	2.92
November	3.59	2.92
December	5.33	3.12
2014		
January	10.92	5.07
February	10.88	7.79
March (up to the Latest Practicable Date)	10.82	8.20

The following are the details of the Directors who are subject to re-election at the AGM in accordance with the Articles.

Mr. Zongjian Cai (蔡宗建), aged 36, was appointed as an executive Director on 31 October 2007. Mr. Cai is one of the founding members of the Group and is the chief executive officer primarily responsible for the corporate strategic planning and overall business development of the Group. Mr. Cai has approximately 14 years of experience in online game industry. He worked at Fujian NetDragon Computer Information Network Technology Co., Ltd.* (福建網龍計算機信息網絡技術有限公司) as a vice president from May 2000 to November 2003 by whom 17173.com was developed. Mr. Cai also worked as the chief executive officer of 17173.com, which is acquired by Sohu.com Inc., a company listed on NASDAQ (Stock Code: SOHU), from November 2003 to January 2005 and a consultant for both Beijing Sohu New Era Information Technology Co., Ltd.* (北京搜狐新時代信息技術有限公司) and 17173.com from January 2005 to June 2005. Mr. Cai graduated from Fuzhou University (福州大學) with a college diploma in computer and accounting in June 1998.

Mr. Cai has entered into a service contract with the Company for an initial term of three years commencing from 16 September 2013 and will continue thereafter until terminated by not less than three months notice in writing served by either party to the other and expiring at the end of the initial term or any time thereafter. Mr. Cai is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Mr. Cai is entitled to a basic annual salary of US\$60,000 and all allowances and benefits to the same extent as other employees of the Group. The remuneration is determined by the Company with reference to duties and level of responsibilities of each Director, the remuneration policy of the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Cai was deemed to be interested in an aggregate of 446,599,179 Shares, representing approximately 32.86% of the issued Shares. Mr. Cai is deemed to be interested in all the Shares held by Duke Online under the SFO as being the sole shareholder of Duke Online and in all the Shares held by Ms. Kai Chen under the SFO as being the spouse of Ms. Kai Chen. On 16 September 2013, Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online, Mr. Yuan Xu, Ms. Kai Chen, Mr. Hong Zhang and Mr. Zhixiang Chen entered into an act in concert agreement, pursuant to which each of them agreed that they would act in concert with each other with respect to material matters relating to the Company's operation. The Controlling Shareholders expect that the material matters will cover, among other things, the matters which shall be approved at the annual general meeting, declaration of dividends, business plan, notifiable transactions and connected transactions subject to Shareholders' approval, if any. Save as disclosed herein, Mr. Cai does not have any interest or short position in any Shares, underlying Shares or debentures (within the meaning of Part XV of the SFO) of the Company.

Save as disclosed above, Mr. Cai has not held any directorship in other listed company in the last three years prior to the Latest Practicable Date. Save as disclosed above, he has not previously held and is not holding any other position with the Company and its subsidiaries, and does not have relationships with any Director, senior management, substantial shareholder or Controlling Shareholder of the Company for the purpose of the GEM Listing Rules.

Save as disclosed above, there is no other information relating to Mr. Cai that is required to be disclosed pursuant to Rules of 17.50(2) of the GEM Listing Rules, and that there are no matters concerning Mr. Cai that need to be brought to the attention of the Shareholders.

Mr. Yuan Chi (池元), aged 57, was appointed as an executive Director on 16 August 2007. Mr. Chi is one of the founding members of the Group and is a senior vice president primarily responsible for the game development of the Group. Mr. Chi has approximately 16 years of experience in information technology industry. Prior to joining our Group, Mr. Chi worked as the general manager of Fujian Window Network Information Co., Ltd.* (福建之窗網絡信息有限公司) (www.66163.com) from April 1998 to June 2007. He was the vice president of Fujian Rongji Software Co., Ltd.* (福建榕基軟件股份有限公司), a company listed on Shenzhen Stock Exchange (Stock Code: 002474), from November 2000 to September 2003. Mr. Chi also worked at Fujian NetDragon Computer Information Network Technology Co., Ltd.* (福建網龍計算機信息網絡技術有限公司) from October 2003 to November 2007. Mr. Chi graduated from Fuzhou University with a bachelor's degree in water resources and hydropower engineering in July 1982 and a master degree in hydraulic structure in March 1990.

Mr. Chi has entered into a service contract with the Company for an initial term of three years commencing from 16 September 2013 and will continue thereafter until terminated by not less than three months notice in writing served by either party to the other and expiring at the end of the initial term or any time thereafter. Mr. Chi is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Mr. Chi is entitled to a basic annual salary of US\$60,000 and all allowances and benefits to the same extent as other employees of the Group. The remuneration is determined by the Company with reference to duties and level of responsibilities of each Director, the remuneration policy of the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chi was deemed to be interested in an aggregate of 446,599,179 Shares, representing approximately 32.86% of the issued Shares. Mr. Chi is deemed to be interested in all the Shares held by Edmond Online under the SFO as being the sole shareholder of Edmond Online. On 16 September 2013, Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online, Mr. Yuan Xu, Ms. Kai Chen, Mr. Hong Zhang and Mr. Zhixiang Chen entered into an act in concert agreement, pursuant to which each of them agreed that they would act in concert with each other with respect to material matters relating to the Company's operation. The Controlling Shareholders expect that the material matters will cover, among other things, the matters which shall be approved at the annual general meeting, declaration of dividends, business plan, notifiable transactions and connected transactions subject to Shareholders' approval, if any. Save as disclosed herein, Mr. Chi does not have any interest or short position in any Shares, underlying Shares or debentures (within the meaning of Part XV of the SFO) of the Company.

Save as disclosed above, Mr. Chi has not held any directorship in other listed company in the last three years prior to the Latest Practicable Date. Save as disclosed above, he has not previously held and is not holding any other position with the Company and its subsidiaries, and does not have relationships with any Director, senior management, substantial shareholder or Controlling Shareholder of the Company for the purpose of the GEM Listing Rules.

Save as disclosed above, there is no other information relating to Mr. Chi that is required to be disclosed pursuant to Rules of 17.50(2) of the GEM Listing Rules, and that there are no matters concerning Mr. Chi that need to be brought to the attention of the Shareholders.

Mr. Xiaojun Li (李驍軍), aged 40, was appointed as a non-executive Director on 30 November 2007. Mr. Li has approximately 9 years of experience in corporate management and venture capital. He has been the partner of IDG Capital Partners since August 2006 and acted as the vice president of IDG Technology Venture Investment Fund from September 2004 to August 2006. Mr. Li graduated from University of California Los Angeles with a master degree in electronic engineering in September 1996. He obtained a master of business administration from Wharton Business School at the University of Pennsylvania in May 2004.

Mr. Li has entered into a service contract with the Company for an initial term of three years commencing from 16 September 2013 and will continue thereafter until terminated by not less than two months notice in writing served by either party to the other and expiring at the end of the initial term or any time thereafter. Mr. Li is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Mr. Li is entitled to a basic annual salary of US\$20,000. The remuneration is determined by the Company with reference to duties and level of responsibilities of each Director, the remuneration policy of the Company and the prevailing market conditions. As at the latest Practicable Date, Mr. Li does not have any interests or short positions in any Shares, underlying Shares or debentures (within the meaning of Part XV of the SFO) of the Company.

Save as disclosed above, Mr. Li has not held any directorship in other listed company in the last three years prior to the Latest Practicable Date. He has not previously held and is not holding any other position with the Company and its subsidiaries. He does not have relationships with any Director, senior management, substantial shareholder or Controlling Shareholder of the Company for the purpose of the GEM Listing Rules.

Save as disclosed above, there is no other information relating to Mr. Li that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules, and that there are no matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

PURPOSE OF THE SHARE AWARD SCHEME

The purpose of the Share Award Scheme is to recognise the contributions by certain Selected Grantees and to give incentives thereto in order to retain them for the continuing operation and development of the Group, and to attract suitable personnel for further development of the Group.

DURATION

Subject to any early termination as may be determined by the Board pursuant to the terms of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

ADMINISTRATION

The Share Award Scheme shall be subject to the administration of the Board in accordance with the terms stated in the Share Award Scheme. The Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the Trust Deed.

OPERATION OF THE SHARE AWARD SCHEME**Eligibility**

Under the Share Award Scheme, except for the Excluded Grantees, any employee or director of the Group is eligible to be granted an Award or Awards.

The Board may, from time to time, at their absolute discretion select any Eligible Person (excluding any Excluded Grantee) for participation in the Share Award Scheme as a Selected Grantee. However, until so selected, no Eligible Person shall be entitled to participate in the Share Award Scheme.

Grant of Awarded Shares

Subject to terms of the Share Award Scheme, the Board shall select Selected Grantee(s) and determine the number of Awarded Shares, and the terms and conditions of the Awarded Shares, including the vesting schedule and inform the relevant Selected Grantee accordingly by a letter of grant, and such Award shall be deemed to be accepted by the Selected Grantee when the Company receives a duplicate of the letter of grant signed by such Selected Grantee within 28 days after the granting.

The Board shall immediately inform the Trustee of, among others, (i) the name of the Selected Grantee(s) and whether they are connected persons, (ii) the number of Shares to be awarded; (iii) whether the Shares should be acquired by subscription as stipulated in the GEM Listing Rules from time or time or purchase from the market by the Trustee; and (iv) the Vesting Date and the conditions for vesting, once the grant of Awards to the Selected Grantee(s) has been approved by the Board.

Subscription or Acquisition of Awarded Shares by the Trustee

These Awarded Shares shall be either (i) allotted and issued by the Company, by using the general mandate granted to the Board by the Shareholders in the annual general meeting of the Company from time to time, unless separate Shareholders' approval is obtained in a general meeting of the Company, or (ii) acquired by the Trustee from the open market by utilising the Company's resources provided to the Trustee, subject to the absolute discretion of the Board.

Subject to the black-out period under the Share Award Scheme, the Board shall, either before or after identification of the Selected Grantee(s), cause to be paid sufficient funds, for the subscription and/or acquisition of the Awarded Shares by the Trustee (or as it shall direct) as soon as practicable (the "**Reference Amount**") prior to the date that these Awarded Shares vest in according to the Share Award Scheme. The Company shall issue to the Trustee or the Trustee shall arrange for the acquisition of the maximum number of board lots of Shares as soon as practicable (but in any event within 30 calendar days) after receipt of any cash.

Vesting of Awarded Shares

Awarded Shares held by the Trustee upon the Trust and which are referable to a Selected Grantee shall vest to that Selected Grantee in accordance with a vesting schedule determined at the discretion of the Board, provided that the Selected Grantee remains at all times after the Reference Date and on each relevant vesting date(s) an Eligible Person (for this purpose, the date or each such date on which the Awarded Shares are to vest being hereinafter referred to as a "**Vesting Date**"). The Board may also, in its absolute discretion, determine the performance, operating and financial targets and other criteria, if any, to be satisfied by the Selected Grantee before the Awarded Shares can vest. For these purposes the Trustee may treat the vesting schedule (which shall show the Awarded Shares prospectively vesting and actually vesting) as conclusive of the matters shown in that schedule and that, in the case of vested entitlements, the Selected Grantee in question remains a Grantee on the applicable Vesting Date (or any earlier deemed date under the terms of the Share Award Scheme).

Death or Retirement of the Selected Grantee

Notwithstanding above paragraph, in respect of a Selected Grantee who has died or retired at his normal retirement date or earlier by agreement with the Company or a subsidiary (as the case may be) at any time prior to a Vesting Date, all the Awarded Shares of a Selected Grantee (or rights thereto) shall be deemed to be vested on the day immediately prior to his death or retirement at his normal retirement date or earlier by agreement with the Company or a subsidiary (as the case may be).

Lapse of Awarded Shares

Save as provided in the announcement of the Company dated 24 December 2013, in the event (i) a Selected Grantee who is an employee ceases to be an employee, or (ii) the subsidiary by which a Selected Grantee is employed ceases to be a subsidiary of the Company (or of a member of the Group), or (iii) a Selected Grantee who is a director of the Company or a subsidiary ceases to be a director of the same; or (iv) an order for the winding-up of the Company is made or a resolution is passed for

the voluntary winding-up of the Company otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company, (each of these, an event of “**Total Lapse**”), the Award shall, unless the Board otherwise agrees, lapse and all the Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Share Award Scheme.

In the event a Selected Grantee is found to be an Excluded Grantee (“**Partial Lapse**”), the relevant part of an Award made to such Selected Grantee shall, unless the Board otherwise agree, lapse and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Share Award Scheme.

Non-Transferrable

Any Award made hereunder shall be personal to the Selected Grantee to whom it is made and shall not be assignable and no Selected Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to either the Reference Amount or the Awarded Shares referable to him pursuant to such Award or the Related Income or any of the Returned Shares under the Share Award Scheme.

Notices and Communications

Any notice (including the vesting notice) or other communication among the Company, any Selected Grantee and the Trustee may also be given by any electronic means.

Right of Participants before Vesting

A Selected Grantee will have no rights in respect of any Shares subject to an Awarded Share (including any income, dividends, other distributions or voting rights) until the Shares are vested in him pursuant to the Share Award Scheme on the relevant Vesting Date.

Returned Shares

The Trustee shall hold Returned Shares exclusively for the benefit of all or one or more of the Selected Grantees (including future Selected Grantees but excluding any Excluded Grantee) and may allocate such Returned Shares as Awarded Shares to any Selected Grantees upon instructions by the Company.

Black-out Period

No payment shall be made to the Trustee pursuant to the Share Award Scheme and no instructions to acquire or subscribe for Shares shall be given to the Trustee under the Share Award Scheme and the Trustee shall not sell the Awarded Shares for the relevant Selected Grantees:-

- (A) where the Company is in possession of unpublished inside information (as defined in the SFO in relation to the Company);
- (B) where dealings by Directors are prohibited under any code or requirement of the GEM Listing Rules, all applicable laws from time to time. Such requirement also applies to Directors' Associates, any Eligible Person who can get access to inside information of the Group through his or her position or responsibility in the Group; or
- (C) within 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 GEM Listing Rules) for the approval of the Company's quarterly, interim or annual results; and
 - (ii) the deadline for the Company to publish its quarterly, interim or annual results announcement under the GEM Listing Rules,and ending on the date of the results announcement.

Awards to Connected Persons

In respect of any proposed Award to a Selected Grantee who is also regarded as a connected person of the Company or any of his Associates, must be:

- (i) approved by all independent non-executive Directors; and
- (ii) if required under Chapter 20 of the GEM Listing Rules, be separately approved by the Shareholders in general meeting of the Company, with such connected person and his Associates abstaining from voting, and shall comply with all other requirements of Chapter 20 of the GEM Listing Rules applicable to such Award from time to time.

VOTING RIGHT OF THE TRUSTEE

The Trustee shall not exercise any voting right attached in respect of any Shares held by it under the Trust (including but not limited to the Awarded Shares and any bonus Shares and script Shares derived therefrom).

TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME AND ETC.

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, the Board shall have the discretion to decide whether the Awarded Shares and the Related Income shall vest or lapse on the date when such change of control event becomes or is declared unconditional. On the occurrence of a change of control event and the Board has decided that the Awarded Shares and the Related Income should be vested, the Board shall instruct the Trustee in writing the number of Awarded Shares to be vested on each Selected Grantee and the Trustee shall send to each Selected Grantees a vesting notice together with such prescribed transfer documents which require such Selected Grantee to effect the vesting and transfer of the Awarded Shares and the Related Income. Subject to the receipt by the Trustee of duly executed prescribed transfer documents, the Trustee shall transfer the Awarded Shares and the Related Income to the Selected Grantees. For the purpose of this paragraph, “control” shall have the meaning as specified in the Codes on Takeovers and Mergers and Share Repurchases from time to time.

In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee under the Scheme, the Board shall instruct the Trustee as to whether or not to subscribe for any new Shares. If the Board instructs the Trustee to subscribe for new Shares under the open offer, the Company shall provide the Trustee with the necessary funding for the subscription. In the event of a rights issue, the Board shall instruct the Trustee as to whether or not to take up any rights Shares. If the Board instructs the Trustee to take up any rights Shares, the Company shall provide the Trustee with the necessary funding. Should the Board instruct the Trustee not to take up any rights Shares, the Board shall direct the Trustee to sell such amount of the nil-paid rights allotted to it during a specific period and at a specific price range as instructed by the Company and the net proceeds of sale of such rights shall be held as income of the trust fund and be applied in accordance with the terms of the Scheme.

In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Board shall instruct the Trustee as to whether or not to subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants. If the Board instructs the Trustee to subscribe for new Shares pursuant to the bonus warrants, the Company shall provide the Trustee with the necessary funding for the subscription. Should the Board instruct the Trustee not to exercise the subscription rights, the Board shall direct the Trustee to sell the bonus warrants created and granted to it during a specific period and at a specific price range as instructed by the Company and the net proceeds of sale of such bonus warrants shall be held as income of the trust fund and be applied in accordance with the terms of the Scheme.

In the event the Company undertakes a scrip dividend scheme, the Board shall instruct the Trustee as to the election of scrip dividend or cash dividend. If there is an election for scrip dividend, it will be treated as Awarded Shares. If there is an election for cash dividend, it will be treated as income of the trust fund and be applied in accordance the terms of the Scheme. The scrip dividend distributed to the Shares which have already been allocated for a relevant Selected Grantee will be treated as Awarded Shares. The scrip dividend distributed in respect of all unallocated Shares will be held by the Trustee for the benefit of future grantees.

In the event that the Company undertakes a consolidation of the Shares, all fractional share arising out of such consolidation in respect of the Awarded Shares and the Related Income of a Selected Grantee shall be deemed as Returned Shares for the purposes of the Scheme and shall not be transferred to the relevant Selected Grantee on the relevant Vesting Date.

In the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Board shall direct the Trustee whether or not to dispose of such distribution. Should the Board instructed the Trustee to dispose of such distribution at a price agreed by the Company, the net sale proceeds thereof shall be deemed as income of the trust fund of the Trust and shall be applied in accordance with the terms of the Scheme.

SHARE AWARD SCHEME LIMIT

The Board shall not make any further award of Awarded Shares which will result in the number of Shares awarded by the Board under the Share Award Scheme would represent in excess of ten (10) per cent. of the issued share capital of the Company as at the Adoption Date.

The maximum number of Shares which may be subject to an Award or Awards to a Selected Grantee at any one time shall not in aggregate exceed one (1) per cent. of the issued share capital of the Company as at the Adoption Date.

The number of Awarded Shares (if comprising of new Shares) shall be allotted and issued by the Company using the general mandate granted to the Board by the Shareholders unless separate shareholders' approval is obtained in a general meeting of the Company.

The maximum number of Shares to all Controlling Shareholders which may be subject to an Award or Awards in any of the 12 months shall not in aggregate exceed two (2) per cent. of the issued share capital of the Company from time to time.

The Awarded Shares held by the Trustee from time to time shall be less than 5% of the issued share capital of the Company.

AMENDMENT TO THE SHARE AWARD SCHEME

The Share Award Scheme may be altered in any respect by a resolution of the Board, including alterations to the terms and conditions of the Share Award Scheme which are of material nature, or any change to the terms of Awarded granted, provided that the Share Award Scheme so altered must comply with the GEM Listing Rules.

Written notice of any amendment to the Share Award Scheme shall be given to all Selected Grantees.

TERMINATION

The Share Award Scheme shall terminate on the earlier of:

- (i) on the 10th anniversary date of the Adoption Date; and
- (ii) such date of early termination as determined by the Board of Directors of the Company

provided that such termination shall not affect any subsisting rights of any Selected Grantee hereunder.

OTHER INFORMATION

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 23 of the GEM Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



IGG INC

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8002)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of IGG Inc (the “Company”) will be held at Hennessy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 9 May 2014 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries, the reports of the directors and the auditors of the Company for the year ended 31 December 2013;
2. To approve the declaration of a final dividend of US0.2 cents per ordinary share (equivalent to HK1.6 cents per ordinary share) of the Company for the year ended 31 December 2013;
3. to re-elect Mr. Zongjian Cai as an executive director of the Company (“Director”);
4. to re-elect Mr. Yuan Chi as an executive Director;
5. to re-elect Mr. Xiaojun Li as a non-executive Director;
6. To authorise the board of Directors (“Board”) of the Company to fix the remunerations of the Directors;
7. To confirm, approve and ratify the share award scheme adopted by the Company on 24 December 2013;
8. To re-appoint Ernst & Young as auditors of the Company and to authorise the Board to fix their remuneration;

and, as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification);

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

9. “THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of the Hong Kong Limited (the “GEM Listing Rules”), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue or deal with any unissued shares in the capital of the Company and to make or grant offers, agreements and options, including bonds and warrants to subscribe for shares of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the expiration of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted, and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d)) below; or (ii) the exercise of any options granted under any share option scheme of the Company adopted from time to time in accordance with the GEM Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares of the Company 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 in force from time to time; or (iv) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 the applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolutions.

“**Right Issue**” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company open for a period fixed by the Directors to holder of shares of the Company whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of shares of the Company (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange outside Hong Kong).”;

10. “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to repurchase shares in the capital of the Company on GEM or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and GEM for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” shall have the same meaning as ascribed to it under paragraph (d) of the resolution No. 9 of the notice convening the Annual General Meeting; and

NOTICE OF ANNUAL GENERAL MEETING

11. “**THAT** conditional upon the passing of resolutions No. 9 and 10 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution No. 9 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution No. 10 above.”

By order of the Board
IGG INC
Zongjian Cai
Chairman

Hong Kong, 31 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.

Registered office:

Offshore Incorporations (Cayman) Limited
Floor 4, Willow House, Cricket Square
P.O. Box 2804, Grand Cayman, KY1-1112
Cayman Islands

Headquarters and principal place of business in Singapore:

No. 10 Jalan Kilang
Sime Darby Enterprise Centre
#07-03 Singapore 159410

Principal place of business in Hong Kong:

18/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if such member is the holder of two or more shares) to attend and to vote instead of them. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the annual general meeting and vote in person. In such event, his form of proxy will be deemed to have been revoked.

NOTICE OF ANNUAL GENERAL MEETING

- (2) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (3) A form of proxy for use at the meeting is enclosed.
- (4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
- (5) According to Rule 17.47(4) of the GEM Listing Rules and Article 66 of the articles of association of the Company, the voting at the AGM will be taken by poll.
- (6) The Register of Members of the Company will be closed from Wednesday, 7 May 2014 to Friday, 9 May 2014, both days inclusive, during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the Annual General Meeting, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 5 May 2014.
- (7) The proposed final dividend is payable to shareholders whose names appear on the Register of Members of the Company on Tuesday, 20 May 2014, being the record date for determination of entitlement to the final dividend. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 16 May 2014 to Tuesday, 20 May 2014, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all share certificates with completed transfer forms, either overleaf or separately, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 15 May 2014.