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**IGG Inc**

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

**(Stock Code: 8002)**

## **FULL EXERCISE OF OVER-ALLOTMENT OPTION, STABILISATION ACTIONS AND END OF STABILISATION PERIOD**

In connection with the Placing, the Company announces the following:

### **FULL EXERCISE OF OVER-ALLOTMENT OPTION**

The Over-allotment Option was fully exercised by the Sole Lead Manager on 15 November 2013, being the closest trading day prior to the 30th day after the Listing Date, requiring the Company to allot and issue 49,115,000 additional Shares, representing approximately 15% of the Placing Shares initially available under the Placing before any exercise of the Over-allotment Option.

Pursuant to the exercise of the Over-allotment Option, 49,115,000 Over-allotment Shares will be allotted and issued by the Company at HK\$2.80 per Placing Share (excluding the Prescribed Fees), being the Placing Price under the Placing.

## **STABILISATION ACTIONS AND END OF STABILISATION PERIOD**

The stabilisation period in connection with the Placing ended on 17 November 2013, being the 30th day after the Listing Date. The Company was informed by the Stabilising Manager that the stabilisation actions undertaken during the stabilisation period involved:

- (1) over-allocations of an aggregate of 49,115,000 additional Shares in the Placing, representing approximately 15% of the Placing Shares initially available under the Placing before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 49,115,000 Shares from Duke Online pursuant to the Stock Borrowing Agreement, solely to cover over-allocations in the Placing;
- (3) the full exercise of the Over-allotment Option as mentioned above.

This announcement is made by the Company pursuant to (among other laws, regulations and rules) Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong).

In connection with the Placing, the Company announces the following:

### **FULL EXERCISE OF OVER-ALLOTMENT OPTION**

Pursuant to the Stock Borrowing Agreement, China Everbright Securities (HK) Limited, the Sole Lead Manager, as the stabilising manager (“**Stabilising Manager**”) has borrowed 49,115,000 Shares from Duke Online to cover over-allocations in the Placing.

The Over-allotment Option was fully exercised by the Sole Lead Manager on 15 November 2013, being the closest trading day prior to the 30th day after the Listing Date, requiring the Company to allot and issue 49,115,000 additional Over-allotment Shares, representing approximately 15% of the Placing Shares initially available under the Placing before any exercise of the Over-allotment Option.

Pursuant to the exercise of the Over-allotment option, 49,115,000 additional Shares (the “**Over-allotment Shares**”) will be allotted and issued by the Company at HK\$2.80 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% (collectively, the “**Prescribed Fees**”)), being the Placing Price under the Placing. The Over-allotment Shares will be used to satisfy the Stabilising Manager’s obligation to return to Duke Online the Shares borrowed under the Stock Borrowing Agreement.

Listing of and permission to deal in the Over-allotment Shares have already been granted by the Stock Exchange. Listing of and dealings in such Over-allotment Shares are expected to commence on the GEM of the Stock Exchange at 9:00 a.m. on 21 November 2013.

The respective shareholding structures of the Company immediately before and immediately after the issue and allotment of the Over-allotment Shares by the Company are as follows:

	Immediately before the issue and allotment of the Over-allotment Shares		Immediately after the issue and allotment of the Over-allotment Shares	
	<i>Number of Shares</i>	<i>Approximate percentage of shareholding in the Company</i>	<i>Number of Shares</i>	<i>Approximate percentage of shareholding in the Company</i>
Duke Online <sup>(1)(6)</sup>	178,699,027 <sup>(7)</sup>	13.64%	178,699,027 <sup>(8)</sup>	13.15%
Edmond Online <sup>(2)(6)</sup>	158,080,000	12.07%	158,080,000	11.63%
IDG Group <sup>(3)</sup>	287,577,880	21.96%	287,577,880	21.16%
Vertex	119,225,000	9.10%	119,225,000	8.77%
Other Financial Institution Investors <sup>(4)</sup>	61,241,600	4.68%	61,241,600	4.51%
Management Team <sup>(5)(6)</sup>	109,820,152	8.39%	109,820,152	8.09%
Individual Investors	32,695,440	2.50%	32,695,440	2.40%
Other Individuals	34,964,000	2.66%	34,964,000	2.58%
Other public Shareholders	<u>327,434,000<sup>(7)</sup></u>	<u>25.00%</u>	<u>376,549,000</u>	<u>27.71%</u>
Total	<u>1,309,737,099</u>	<u>100.00%</u>	<u>1,358,852,099</u>	<u>100.00%</u>

<sup>(1)</sup> Duke Online is 100% owned by Mr. Zongjian Cai.

<sup>(2)</sup> Edmond Online is 100% owned by Mr. Yuan Chi.

<sup>(3)</sup> As at the date of this announcement, IDG Group comprises the following investment entities:

<b>Name of Shareholders</b>	<b>Approximate Shareholding in the Company</b>
IDG-Accel China Growth Fund II L.P.	20.30% of issued share capital of the Company in the form of ordinary Shares
IDG-Accel China Investors II L.P.	1.66% of issued share capital of the Company in the form ordinary Shares

- (4) As at the date of this announcement, other Financial Institution Investors comprise, the following investment entities:

<b>Name of Shareholders</b>	<b>Approximate Shareholding in the Company</b>
Winston	1.64% of issued share capital of the Company in the form of ordinary Shares
Hearst	2.28% of issued share capital of the Company in the form of ordinary Shares
Tian Xiang	0.38% of issued share capital of the Company in the form of ordinary Shares
Martin Living Trust	0.23% of issued share capital of the Company in the form of ordinary Shares
Mr. Yi Zhang	0.15% of issued share capital of the Company in the form of ordinary Shares

- (5) As at the date of this announcement, Management Team comprises the following investment entities:

<b>Name of Shareholders</b>	<b>Approximate Shareholding in the Company</b>
Ms. Kai Chen	1.36% of issued share capital of the Company in the form of ordinary Shares
Mr. Zhixiang Chen	2.31 % of issued share capital of the Company in the form of ordinary Shares
Mr. Yuan Xu	3.57% of issued share capital of the Company in the form of ordinary Shares
Mr. Hong Zhang	1.15% of issued share capital of the Company in the form of ordinary Shares

- (6) Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online and members of Management Team (except for Mr. Guo Wu), entered into an act in concert agreement on 16 September 2013, 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. Therefore, as at the date of this announcement each of Mr. Zongjian Cai, Mr. Yuan Chi, Duke Online, Edmond Online and members of Management Team (except for Mr. Guo Wu) is deemed to be interested in 34.10% of issued share capital of the Company for the purpose of the SFO.

- (7) These 178,699,027 Shares held by Duke Online prior to the exercise of the Over-Allotment Option included the 49,115,000 Shares lent to the Sole Lead Manager under the Stock Borrowing Agreement for the purpose of over-allocations in the Placing. The 327,434,000 Shares held by the public Shareholders as indicated in the above table have not included the aforesaid 49,115,000 Shares over-allocated under the Placing.

- (8) These 178,699,027 Shares held by Duke Online include the issuance and allotment of 49,115,000 Shares by the Company to facilitate the return in full to Duke Online of the 49,115,000 Shares.

The net proceeds arising from the issue and allotment of the Over-allotment Shares amounted to approximately HK\$132.3 million, after deducting the underwriting fees and commissions and other estimated expenses relating to the exercise of the Over-allotment Option. Such net proceeds will be proportionally used by the Company for the purposes as set out in the section headed “Statement of Business Objective and Use of Proceeds — Use of proceeds” in the Prospectus.

The Company continues to observe the public float requirements under Rule 11.23(7) of the GEM Listing Rules immediately after the issue and allotment of the Over-allotment Shares.

### **STABILISATION ACTIONS AND END OF STABILISATION PERIOD**

The stabilisation period in connection with the Share Offer ended on 17 November 2013, being the 30th day after the Listing Date.

The Company was informed by the Stabilising Manager that the stabilisation actions undertaken during the stabilisation period involved:

- (1) over-allocations of an aggregate of 49,115,000 additional Shares in the Placing, representing approximately 15% of the Placing Shares initially available under the Placing before any exercise of the Over-allotment Option;
- (2) the borrowing of an aggregate of 49,115,000 Shares from Duke Online pursuant to the Stock Borrowing Agreement, solely to cover over-allocations in the Placing;
- (3) the full exercise of the Over-allotment Option as mentioned above.

By order of the Board  
**IGG Inc**  
**Zongjian Cai**  
*Chairman*

Hong Kong, 18 November 2013

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

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