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Forgame Holdings Limited **雲遊控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00484)

GRANT OF RESTRICTED SHARE UNITS

The board (the “**Board**”) of directors (the “**Directors**”) of Forgame Holdings Limited (the “**Company**”), together with (i) its subsidiaries, (ii) Guangzhou Feiyin Information Technology Co., Ltd., (iii) Guangzhou Jieyou Software Co., Ltd. and (iv) Guangzhou Weidong Internet Technology Co., Ltd., collectively the “**Group**”) hereby announces that on 13 September 2016 (after trading hours), the date of the grant of the RSUs (the “**Offer Date**”), the Company has offered to grant a total of 4,260,000 restricted share units (the “**RSUs**”) to certain Directors and employees of the Group (collectively, the “**Grantees**”) under the restricted share unit scheme adopted by the Company on 1 September 2013 (the “**RSU Scheme**”), each subject to the acceptance by the relevant Grantee within 28 days from the Offer Date. Details of the RSUs offered to be granted are as follows:-

Offer Date	:	13 September 2016
Total number of RSUs offered to be granted	:	4,260,000
Total number of shares of the Company (the “ Shares ”) to be issued upon vesting of the RSUs in full	:	4,260,000
Closing price of the Shares on the Offer Date	:	HK\$9.15 per Share
Vesting schedule of the RSUs	:	The RSUs shall be deemed to be granted upon acceptance of the offer of the grant by the Grantees in accordance with the terms of the RSU Scheme. The RSUs shall be vested according to the following vesting schedule and shall be subject to the terms and conditions of the offer letter and the RSU Scheme:

<i>Percentage of RSUs</i>	<i>Date of vesting of the relevant percentage of the RSUs</i>
25%	1 December 2016
25%	1 June 2017
25%	1 December 2017
25%	1 June 2018

Among the 4,260,000 RSUs offered to the Grantees, 1,720,000 RSUs were offered to be granted to the following Directors (the “**Connected Grantees**”), details of which are as follows:

Name of Grantees	Position held with the Company	Number of RSUs offered to be granted
WANG Dongfeng	Chairman, executive Director and chief executive officer	500,000
LIANG Na	Executive Director and chief financial officer	820,000
ZHANG Qiang	Non-executive Director	100,000
HOW Sze Ming	Independent non-executive Director	100,000
POON Philana Wai Yin	Independent non-executive Director	100,000
ZHAO Cong Richard	Independent non-executive Director	100,000
	Total:	1,720,000

In accordance with the terms of the RSU Scheme, the grant of RSUs to the above Directors has been approved by the Board (including but not limited to the independent non-executive Directors), save that each of the relevant Directors has abstained from approving the resolution relating to the grant of the RSUs to him or her.

Save as disclosed in this announcement, none of the Grantees is a Director, chief executive or substantial shareholder of the Company, or an associate (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of any of them.

Reasons for and benefits of the grant of the RSUs

The grant of the RSUs is part of the Group's remuneration system, and two of the main purposes of the grant are to (i) closely align the interests and benefits of the Group's shareholders and its employees and (ii) retain the Directors and key employees of the Group for their continual services in the Group in view of the fierce competition in the gaming industry in China. As (i) the Group's aggregate emoluments for employees had reduced by approximately 41% for the past year ended 30 June 2016 and (ii) approximately 22% and 65% of the options granted by the Company on 2 January 2015 and 10 June 2015, respectively, pursuant to the post-IPO share option scheme of the Company adopted on 1 September 2013, had already lapsed as at the date of this announcement, the Board is of the view that the grant of the RSUs will motivate the Directors and the key employees of the Group to seek ways to enhance shareholders' value through the execution of the transformation plan from a webgame company to a mobile game company. In this regard, the Directors consider that the grant of RSUs is fair and reasonable and in the interests of the Company and its shareholders as a whole.

Connected Grantees

In relation to 1,720,000 RSUs granted to the Connected Grantees, the Company shall procure Computershare Hong Kong Trustees Limited, the professional trustee assisting the Company with the administration and vesting of restricted share units pursuant to the RSU Scheme, to purchase existing Shares from the market out of cash contribution by the Company to be held on trust until such RSUs are vested with such Connected Grantees.

No new Shares will be issued by the Company to any connected persons of the Company (as defined under the Listing Rules) as a result of the grant of the RSUs.

By order of the Board
Forgame Holdings Limited
WANG Dongfeng
Chairman

Hong Kong, 13 September 2016

As at the date of this announcement, the executive Directors are Mr. WANG Dongfeng and Ms. LIANG Na; the non-executive Director is Mr. ZHANG Qiang; the independent non-executive Directors are Mr. HOW Sze Ming, Ms. POON Philana Wai Yin and Mr. ZHAO Cong Richard.