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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Imagi International Holdings Limited, you should at once pass this circular, together with the accompanying form of proxy, to the purchaser or to the transferee or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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IMAGI INTERNATIONAL HOLDINGS LIMITED
意馬國際控股有限公司*
(incorporated in Bermuda with limited liability)
(stock code: 585)

**PROPOSED SHARE CONSOLIDATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting (the “SGM”) of Imagi International Holdings Limited to be held at Unit 2401-2, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 10 March 2017 at 10:00 a.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the meeting is enclosed. Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of Imagi International Holdings Limited in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so desire. In such event, the form of proxy previously submitted shall be deemed to be revoked.

22 February 2017

* *for identification purposes only*

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DEFINITIONS

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

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Imagi International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 585)
“Consolidated Share(s)”	share(s) of HK\$0.04 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	share(s) of HK\$0.005 each in the share capital of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	16 February 2017, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Listing Committee”	the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Share Consolidation
“Share Consolidation”	the proposed consolidation of every eight (8) Existing Shares into one (1) Consolidated Share

DEFINITIONS

“Share Option(s)”	the option(s) to subscribe for new share(s) of the Company granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 11 June 2012
“Shareholder(s)”	holder(s) of the Existing Share(s) or the Consolidated Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is as follows:

Event	Hong Kong Time and Date
Latest time to lodge transfer documents.....	4:30 p.m. on Monday, 6 March 2017
Closure of register of members.....	Tuesday, 7 March 2017 to Friday, 10 March 2017 (both dates inclusive)
Latest date and time for lodging forms of proxy for the SGM.....	10:00 a.m. on Wednesday, 8 March 2017
Date and time of the SGM.....	10:00 a.m. on Friday, 10 March 2017
Announcement of voting results of the SGM.....	Friday, 10 March 2017
Effective date of the Share Consolidation.....	Monday, 13 March 2017
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares commences.....	Monday, 13 March 2017
Dealings in the Consolidated Shares commences.....	9:00 a.m. on Monday, 13 March 2017
Original counter for trading in the Existing Shares in board lots of 8,000 Existing Shares (in the form of existing share certificates) temporarily closes.....	9:00 a.m. on Monday, 13 March 2017
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens.....	9:00 a.m. on Monday, 13 March 2017
Original counter for trading in the Consolidated Shares in board lots of 8,000 Consolidated Shares (in the form of new share certificates) re-opens.....	9:00 a.m. on Monday, 27 March 2017

EXPECTED TIMETABLE

Parallel trading in the Consolidated Shares
(in form of new share certificates and
existing share certificates) commences 9:00 a.m. on Monday, 27 March 2017

Designated broker starts to stand in the
market to provide matching services for
odd lots of the Consolidated Shares 9:00 a.m. on Monday, 27 March 2017

Temporary counter for trading in the
Consolidated Shares in board lots of
1,000 Consolidated Shares (in the form of
existing share certificates) closes.....4:00 p.m. on Wednesday, 19 April 2017

Parallel trading in Consolidated Shares
(in form of new share certificates and
existing share certificates) ends.....4:00 p.m. on Wednesday, 19 April 2017

Designated broker ceases to stand in the
market to provide matching services for odd
lots of the Consolidated Shares.....4:00 p.m. on Wednesday, 19 April 2017

Last day for free exchange of existing share
certificates for new share certificates for
the Consolidated Shares..... Monday, 24 April 2017

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified in this circular for events in the timetable for the Share Consolidation are subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by Shareholders at the SGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustments to, the timetable if it considers appropriate. Any extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

LETTER FROM THE BOARD

IMAGI
IMAGI INTERNATIONAL HOLDINGS LIMITED
意馬國際控股有限公司*
(incorporated in Bermuda with limited liability)
(stock code: 585)

Executive Directors:

Mr. Kitchell Osman Bin (*Acting Chairman*)
Mr. Wong Yat Fai
Mr. Shimazaki Koji
Ms. Choi Ka Wing

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent non-executive Directors:

Mr. Chow Chi Wah Vincent
Dr. Kwong Kai Sing Benny
Mr. Miu Frank H.
Dr. Santos Antonio Maria

*Head office and principal place
of business in Hong Kong:*

Suites 1107-1108, 11th Floor
Champion Tower, 3 Garden Road
Central
Hong Kong

22 February 2017

To the Shareholders,

Dear Sir or Madam,

**PROPOSED SHARE CONSOLIDATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 26 January 2017 in relation to the Share Consolidation.

The purpose of this circular is to provide you with (i) further information relating to the Share Consolidation; and (ii) the notice of the SGM.

* *for identification purposes only*

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation whereby every eight (8) issued and unissued Existing Shares of HK\$0.005 each will be consolidated into one (1) Consolidated Share of HK\$0.04 each.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$1,000,000,000 divided into 200,000,000,000 Existing Shares of par value of HK\$0.005 each, of which 4,548,172,578 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no further Existing Shares are issued or repurchased from the Latest Practicable Date until the effective date of the Share Consolidation, the authorised share capital of the Company shall become HK\$1,000,000,000 divided into 25,000,000,000 Consolidated Shares of par value of HK\$0.04 each, of which 568,521,572 Consolidated Shares (all fully paid or credited as fully paid) will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank pari passu in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares; and
- (iii) the compliance with the relevant procedures and requirements under the Bermuda laws (where applicable) and the Listing Rules to effect the Share Consolidation. It is expected this will be satisfied before the SGM.

The Share Consolidation will become effective on the Stock Exchange trading day following the fulfillment of the above conditions.

LETTER FROM THE BOARD

Listing application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Fractional entitlements to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and the net proceeds of sale (after deduction of the expenses of such sale) be distributed in due proportion amongst the Shareholders who would have been entitled to the fractions, provided that individual amounts of HK\$100 or less shall be retained for the benefits of the Company.

Board lot size

Currently, the Existing Shares are traded on the Stock Exchange in the board lot size of 8,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will be 8,000 Consolidated Shares.

Based on the closing price of HK\$0.105 per Existing Share (equivalent to the theoretical closing price of HK\$0.84 per Consolidated Share) as at the Latest Practicable Date, the value of each board lot of the Existing Shares is HK\$840 and the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$6,720.

LETTER FROM THE BOARD

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm to provide a matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from 9:00 a.m. on Monday, 27 March 2017 to market closing time on Wednesday, 19 April 2017 (both days inclusive). Shareholders who wish to use this matching service should contact Ms. Jess Wong of Win Wind Securities Limited at 25/F, China United Centre, 28 Marble Road, North Point, Hong Kong or at the telephone number (852) 3198 0728 during office hours of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from Monday, 13 March 2017 to Monday, 24 April 2017 (both days inclusive) submit existing share certificates in the colour of green for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for exchange for new share certificates in the colour of yellow for the Consolidated Shares, at the expense of the Company.

Thereafter, certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each new share certificate issued for the Consolidated Shares.

After 4:00 p.m. on Wednesday, 19 April 2017, existing share certificates for the Existing Shares will remain effective as documents of title and may be exchanged for certificates for Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Adjustments to the outstanding options, warrants or other securities

As at the Latest Practicable Date, the Company had outstanding Share Options entitling the holders thereof to subscribe for a total of 305,104,651 Existing Shares. Under the terms and conditions of the Share Option Scheme, the Share Consolidation will lead to adjustments to the exercise price and/or the number of Existing Shares falling to be issued upon the exercise of the Share Options. The Company will make an announcement(s) about such adjustments as and when appropriate.

Save for the Share Options, the Company did not have any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares, as at the Latest Practicable Date.

LETTER FROM THE BOARD

Reasons for the Share Consolidation

Subsequent to the share consolidation effective on 31 May 2016, the proposed Share Consolidation is the second share consolidation conducted by the Company in the past 6 years. For the past year, the share price of the Company has been trading below HK\$1.

Under Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. In view of the recent market volatility and prevailing weak trading price of the Existing Shares, the Board proposed to implement the Share Consolidation. The proposed Share Consolidation will increase the nominal value of the Existing Shares and enable the Company to take precautionary steps to avoid non-compliance with the trading requirements under the Listing Rules.

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 25 July 2016 (“the Guideline”), the expected board lot value per board lot should be greater than HK\$2,000 taking into account the minimum transaction costs for a securities trade. As at the Latest Practicable Date, the closing price of the Existing Shares was 0.105 and the board lot size was 8,000 Existing Shares. The Shares are trading under HK\$2,000 per board lot. For the purpose of reducing transaction and registration costs, the Board proposes the Share Consolidation. The Company considers that its earlier share consolidation achieved its intended purpose of benefiting Shareholders. Brokers charge their clients a fee per board lot, i.e. the handling costs of dealings in more board lots are higher than those for less board lots. After the Share Consolidation, the number of new board lots will be one-eighth of that of old board lots for the same amount of value. Further, the Share Consolidation will reduce the overall dealing costs. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange, and will reduce the overall transaction and handling costs of dealings in the Existing Shares of the Company. The Board and senior management consider the possible risk of potential fluctuations in the market and possibility of changes in considering material corporate activities, and such have been discussed and reviewed by the Board and senior management before deciding on the Share Consolidation taking into account perceived costs and benefits.

The Company also considered that though increasing board lot size could also achieve a similar effect as the Share Consolidation, it cannot provide any upward adjustment to the share price of the Company. It is believed that the adjusted share price expected as a result of the Share Consolidation will enhance the corporate image of the Company so as to make investing in the Consolidated Shares more attractive to a broader range of institutional and professional investors and thus help broaden the shareholder base of the Company.

Given the above reasons, the Company considers the proposed Share Consolidation is justifiable in light of the potential costs and negative impact arising from creation of odd lots to shareholders. Accordingly, the Directors consider that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

CORPORATE ACTION PLAN OF THE COMPANY

The Company has been under new management and has changed direction, in an effort to revive its fortunes since early 2016. Shareholders have been fully informed by announcements published by the Company throughout the year. New funding may be required in the ordinary course of its business. There are no identifiable milestones of development relevant to the Share Consolidation.

As at the Latest Practicable Date, the Company has no plans for any corporate actions and, save for the intended redomicile which has previously been publicly disclosed by the Company, including no fund raising will be carried out in the forthcoming twelve months except after a careful consideration of its likely impact on shareholders.

SGM

Notice of the SGM is set out on pages SGM-1 to SGM-2 of this circular and the SGM will be held at Unit 2401-2, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 10 March 2017 at 10:00 a.m. in which an ordinary resolution will be proposed to approve the Share Consolidation.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, no Shareholder has a material interest in the Share Consolidation. As such, no Shareholder is required to abstain from voting for the resolution to approve the Share Consolidation at the SGM.

A form of proxy for use at the SGM is enclosed. Whether or not you intend to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so desire. In such event, the form of proxy previously submitted shall be deemed to be revoked.

RECOMMENDATION

The Board considers that the Share Consolidation is in the interests of the Company and its Shareholders as a whole and therefore recommends the Shareholders to vote in favor of the resolution approving the Share Consolidation to be proposed at the SGM.

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 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 respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By order of the Board of
Imagi International Holdings Limited
Kitchell Osman Bin
Acting Chairman

NOTICE OF SGM


IMAGI INTERNATIONAL HOLDINGS LIMITED
意馬國際控股有限公司*
(incorporated in Bermuda with limited liability)
(stock code: 585)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Imagi International Holdings Limited (the “Company”) will be held at Unit 2401-2, Admiralty Centre I, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 10 March 2017 at 10:00 a.m. for the purpose of considering and, if though fit, passing with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

1. **THAT** subject to and conditional upon the granting of approval by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the listing of, and permission to deal in, the ordinary shares of the Company be and are consolidated in the manner as set out in paragraph (a) of this resolution below (the “Share Consolidation”):
 - (a) with effect from the first trading day of the Stock Exchange immediately following the date on which this resolution is passed or the date at which the above condition is fulfilled (whichever is the later), every eight (8) issued and unissued ordinary shares of HK\$0.005 each in the share capital of the Company be consolidated into one (1) share of HK\$0.04 (each a “Consolidated Share”), such Consolidated Share(s) ranking pari passu in all respects with each other and having the rights and privileges and being subject to the restrictions in respect of shares contained in the bye-laws of the Company; and
 - (b) the board of directors of the Company be and is hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as it considers necessary, desirable or expedient to give effect to the Share Consolidation.

By order of the Board of
Imagi International Holdings Limited
Kitchell Osman Bin
Acting Chairman

Hong Kong, 22 February 2017

* *for identification purposes only*

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Suites 1107-1108, 11th Floor
Champion Tower, 3 Garden Road
Central
Hong Kong

Notes:

1. A member who is entitled to attend and vote at the special general meeting is entitled to appoint one (in the case of a member that is the holder of two or more shares more than one) proxy or in the case of a member that is a corporate a duly authorised corporate representative to attend and vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy for use at the special general meeting is enclosed. 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 that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the special general meeting. Completion and return of the form of proxy shall not preclude a member from attending the special general meeting and voting in person. In such event, his form of proxy will be deemed to have been revoked.
3. Where there are joint holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he was solely entitled hereto; but if more than one of such joint holders be present at the special general 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 of the Company in respect of the joint holding.