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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)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
DISPOSAL OF AN ASSET**

THE DISPOSAL

The Board announces that on 21 February 2017, the Vendor (an indirect wholly-owned subsidiary of the Company) entered into the Memorandum of Agreement with the Purchaser, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Asset at the consideration of US\$4,200,000.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements set out in Rule 14.34 of the Listing Rules.

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* *for identification purposes only*

THE MEMORANDUM OF AGREEMENT

Date

21 February 2017 (after trading hours)

Parties

Vendor: High Gear Holdings Limited, an indirect wholly-owned subsidiary of the Company

Purchaser: Mr. Waldron, who, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, is an independent third party not connected with the Company or its connected persons

Asset to be disposed of

Pursuant to the Memorandum of Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Asset, which is a motor yacht.

Consideration and payment

Total consideration of the Disposal, being US\$4,200,000, was determined after arm's length negotiation between the Purchaser and the Vendor through the Broker with reference to the market value of the Asset.

The aforesaid consideration shall be satisfied by:

- (i) A deposit and partial payment in sum of US\$840,000 (the "Deposit") in cash payable by the Purchaser to the Broker as stakeholder upon the signing of the Memorandum of Agreement; and
- (ii) The balance in sum of US\$3,360,000 in cash payable by the Purchaser to the Vendor upon the completion of the Disposal.

The Purchaser's right of termination

The Purchaser has the right to terminate the Memorandum of Agreement if (i) he considers that the Asset has not performed to his satisfaction on the Sea Trial; or (ii) he rejects the Asset due to any defects being found after the condition survey.

If the Memorandum of Agreement is terminated by the Purchaser as aforesaid, the Deposit shall be returned to the Purchaser and neither party shall henceforth have any claims against the other under the Memorandum of Agreement.

Completion of the Disposal

Completion of the Disposal is scheduled on 20 March 2017 or such earlier date as may be agreed between the Vendor and the Purchaser.

INFORMATION ON THE GROUP

The Company is an investment holding company and its subsidiaries are principally engaged in computer graphic imaging (“CGI”), cultural and entertainment business, investment business and integrated financial services business.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company considers that the Disposal will enable the Group to realize the Asset at a fair value and to strengthen the cash position of the Group for its operations and potential investments in the future. It is the intent of the Company’s management to concentrate its resources on the expansion of its new core business.

The Company expects the net proceeds from the Disposal will be used for general working capital of the Group.

The terms of the Memorandum of Agreement were determined after arm’s length negotiations and based on normal commercial terms. The Directors consider that the terms and conditions of the Memorandum of Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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DEFINITIONS

Unless the context otherwise requires, the following terms shall have the following meanings in this announcement:

“Asset”	a motor yacht held by the Vendor
“Board”	the board of Directors
“Broker”	Asia Yachting Limited, a company incorporated in Hong Kong with limited liability
“Company”	Imagi International Holdings Limited (Stock Code: 585), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Asset pursuant to the terms and conditions of the Memorandum of Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the main board of the Stock Exchange
“Memorandum of Agreement”	the memorandum of agreement entered into between the Vendor, the Purchaser and the Broker on 21 February 2017 in respect of the Disposal
“Purchaser”	Mr. Waldron
“Share(s)”	ordinary share(s) with par value of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary (subsidiaries)”	has the meaning ascribed thereto under the Listing Rules
“US\$”	the US dollars, the lawful currency of the United States of America
“Vendor”	High Gear Holdings Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 21 February 2017

At the date of this announcement, the Board comprises the following Directors:

Executive Directors:

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

Independent non-executive Directors:

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