IMAGI INTERNATIONAL HOLDINGS LIMITED
意馬國際控股有限公司*

(incorporated in Bermuda with limited liability)
(stock code: 585)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

The board (the "Board") of directors (the "Director(s)") of Imagi International Holdings Limited (the "Company") is pleased to present the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2014, together with the comparative figures for the year ended 31 December 2013, as follows:

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended 31 December	
		2014	2013
	Notes	***HK$'000***	*HK$'000*
Continuing operations			
Other income	*4*	**16,266**	44,412
Other gains and losses		**(2,209)**	527
Administrative expenses		**(10,602)**	(17,152)
Profit before tax	*5*	**3,455**	27,787
Income tax expense	*6*	**–**	–
Profit for the year from continuing operations		**3,455**	27,787
Discontinued operation			
Loss for the year from discontinued operation	*7*	**–**	(49,671)
Profit (loss) for the year		**3,455**	(21,884)

* *for identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended 31 December	
		2014	2013
		HK$'000	*HK$'000*
Other comprehensive income			
Item that will not be reclassified subsequently to profit or loss:			
Exchange differences arising on translation to presentation currency from disposed operation		–	12,867
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating a foreign operation		**306**	231
Cumulative loss reclassified to profit or loss on sale of available-for-sale investments		**429**	–
Net loss on revaluation of available-for-sale investments		**(105)**	(15)
Other comprehensive income for the year, net of income tax		**630**	13,083
Total comprehensive income (expense) for the year		**4,085**	(8,801)
Earnings (loss) per share			
From continuing and discontinued operations			
Basic and diluted *(HK cents per share)*	*9*	**0.03**	(0.22)
From continuing operations			
Basic and diluted *(HK cents per share)*	*9*	**0.03**	0.28

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 31 December	
		2014	2013
	Notes	***HK$'000***	*HK$'000*
Non-current assets			
Property, plant and equipment		**99,619**	182
Non-current deposits	*10*	**–**	27,752
Available-for-sale investments	*11*	**99,324**	85,196
		198,943	113,130
Current assets			
Other receivables, deposits and prepayments		**5,084**	44,199
Bank balances and cash		**719,369**	769,311
		724,453	813,510
Current liabilities			
Other payables and liabilities		**3,042**	3,904
Net current assets		**721,411**	809,606
Total assets less current liabilities		**920,354**	922,736
Net assets		**920,354**	922,736
Capital and reserves			
Share capital		**9,969**	10,013
Reserves		**910,385**	912,723
Total equity attributable to owners of the Company		**920,354**	922,736

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value, at the end of each reporting period.

2. APPLICATION OF NEW AND REVISED HKFRSs

The Group has applied for the first time in current year the following amendments to HKFRSs and a new Interpretation issued by the HKICPA:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC) – Int 21	Levies

The application of these new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current year and prior periods and/or on the disclosures set out in these consolidated financial statements.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[1]
HKFRS 14	Regulatory Deferral Accounts[2]
HKFRS 15	Revenue from Contracts with Customers[3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[5]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[5]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[4]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[5]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010–2012 Cycle[6]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011–2013 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012–2014 Cycle[5]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

2 Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

3 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

4 Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.

[5] Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

[6] Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.

Excepted as described below, the directors of the Company do not anticipate that the application of these amendments will have a material effect on the Group's consolidated financial statements.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of HKFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities (e.g. the Group's investments in corporate bonds that are currently classified as available-for-sale investments may have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss).

HKFRS 15 Revenue from Contracts with Customers

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

3. REVENUE AND SEGMENT INFORMATION

For the purpose of performance assessment and resources allocation, the executive directors of the Company, being the chief operating decision maker ("CODM"), used to regularly review the revenue and results of the segment.

Segment A:	Licensing and management of cartoon character trademarks and copyrights and all related activities managed by Infoport Management Limited and its subsidiaries (collectively referred to as "TE Group").
Investment segment:	Investment in securities.

However, Segment A was discontinued during the year ended 31 December 2013, as described in Note 7. Consequently, the Group has been operating with one reportable and operating segment with no revenue generated in the current year. CODM reviews the consolidated revenue as the segment revenue and the consolidated profit before tax as the segment result. Accordingly, no further segment information has been presented in the current and prior years.

4. OTHER INCOME

	2014 *HK$'000*	2013 *HK$'000*
Continuing operations		
Interest income on bank deposits	**8,305**	3,086
Interest income on available-for-sale investments	**5,946**	444
Service income *(Note)*	**–**	39,990
Others	**2,015**	892
	16,266	44,412

Note: Amount represented the income derived from advisory service provided to the shareholders of Creative Power Entertaining Limited Liability Company ("CPE") during the year ended 31 December 2013 in relation to the disposal of their interests in CPE to other party.

5. PROFIT BEFORE TAX

	2014 *HK$'000*	2013 *HK$'000*
Profit before tax from continuing operations has been arrived at after charging (crediting):		
Directors' emoluments	**1,381**	4,630
Contribution to retirement benefit scheme	**56**	59
Other staff costs (salaries and benefits)	**2,031**	3,332
(Reversal of) equity-settled share-based payment expense other than directors	**(47)**	47
Total staff costs	**3,421**	8,068
Depreciation of property, plant and equipment	**1,165**	65
Rental in respect of premises under operating leases	**239**	–
Auditor's remuneration	**1,081**	1,450

6. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits for both years.

7. DISCONTINUED OPERATION

On 16 September 2013, the Group entered into a sale and purchase agreement to dispose of TE Group, which carried out all of the Group's licensing and management of cartoon character trademarks and copyrights and all related activities, to an independent third party at a consideration of HK$634,200,000. The proceeds from the disposal was intended to be used for the Group's business development through internal growth and possible future acquisitions as and when opportunities arise. The disposal was completed on 21 October 2013, on which date control of TE Group passed to the acquirer.

The loss for the year ended 31 December 2013 from the discontinued operation is set out below.

	Period ended 21 October 2013
	HK$'000
Loss of the discontinued operation for the period	(200,815)
Gain on disposal of TE Group *(Note 12)*	151,144
	(49,671)

The results of the discontinued operation for the period from 1 January 2013 to 21 October 2013, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

	Period ended 21 October 2013
	HK$'000
Revenue	92,806
Cost of sales	(26,127)
Amortisation of intangible assets	(74,568)
Other income	4,577
Other gains and losses	(2,955)
Selling expenses	(9,907)
Administrative expenses	(47,591)
Impairment loss on intangible assets	(204,778)
Loss before tax	(268,543)
Income tax credit	67,728
Loss for the period	(200,815)

Loss for the period from discontinued operation included the following:

	Period ended 21 October 2013 *HK$'000*
Auditor's remuneration	–
Depreciation of property, plant and equipment	(1,031)
Amortisation of intangible assets	(74,568)
	(75,599)
Directors' emoluments	(3,658)
Contribution to retirement benefit scheme	(4,743)
Other staff costs (salaries and benefits)	(32,821)
Reversal of equity-settled share-based payments other than directors	478
Total staff costs	(40,744)
Loss on disposal of property, plant and equipment	(2,224)
Interest income	208
Net foreign exchange losses	(731)
Rental in respect of premises under operating leases	(4,494)
Allowance for doubtful debts	(1,705)

8. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2014, nor has any dividend been proposed since the end of the reporting period (2013: HK$Nil).

9. EARNINGS (LOSS) PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	2014 ***HK$'000***	2013 *HK$'000*
Earnings (loss)		
Profit (loss) for the purposes of basic and diluted earnings (loss) per share	**3,455**	(21,884)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings (loss) per share	**9,974,221,596**	10,019,761,301

The computation of diluted earnings (loss) per share does not assume the exercise of the Company's options because the exercise prices of those options were higher than average market price for shares for both years.

From continuing operations

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2014 *HK$'000*	2013 *HK$'000*
Profit (loss) for the year attributable to the owners of the Company	**3,455**	(21,884)
Less: Loss for the year from discontinued operation	**–**	49,671
Earnings for the purposes of basic and diluted earnings per share from continuing operations	**3,455**	27,787

The denominators used are the same as those detailed above for both basic and diluted earnings (loss) per share.

From discontinued operation

For the year ended 31 December 2013, the basic and diluted loss per share for discontinued operation is HK0.50 cent per share, based on the loss for the year from discontinued operation of HK$49,671,000 and the denominators detailed above for basic and diluted earnings (loss) per share.

10. NON-CURRENT DEPOSITS

In October 2013, the Group entered into agreements to purchase properties located in Hong Kong in the aggregate consideration of HK$97,746,000, and paid a deposit amounting approximately HK$27,752,000. The transactions were completed in July 2014.

11. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

	2014 *HK$'000*	2013 *HK$'000*
Listed investments:		
Corporate bonds listed in Hong Kong with fixed interest rates ranging from 3.3% to 4.8% (2013: from 3.3% to 9.8%) and maturity dates ranging from 18 October 2016 to 21 November 2018 (2013: from 18 October 2016 to 21 November 2018)	**51,453**	59,619
Corporate bonds listed in Singapore with fixed interest rates ranging from 8.5% to 11.1% (2013: from 9.8% to 11.1%) and maturity dates ranging from 20 March 2017 to 10 January 2019 (2013: from 20 March 2017 to 23 February 2018)	**23,195**	17,407
Corporate bond listed in the European market with fixed interest rates ranging from 5.1% to 6.8% (2013: with fixed interest rate of 6.8%) and maturity dates ranging from 21 January 2018 to 23 January 2019 (2013: with maturity date on 21 January 2018)	**24,676**	8,170
	99,324	85,196
Analysed for reporting purposes as non-current assets	**99,324**	85,196

12. DISPOSAL OF SUBSIDIARIES

As referred to in Note 7, on 21 October 2013, the Group discontinued its operation related to licensing and management of cartoon character trademarks and copyrights and all related activities at the time of disposal of TE Group. The net assets of TE Group at the date of disposal were as follows:

	HK$'000
Consideration received:	
Cash received	634,200
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	1,891
Intangible assets	577,128
Deferred tax assets	1,180
Inventories	7
Trade and other receivables, deposits and prepayments	86,849
Tax recoverable	522
Bank balances and cash	18,003
Trade, other payables and liabilities	(44,716)
Unearned revenue	(3,053)
Deferred tax liabilities	(146,805)
Net assets disposed of	491,006
Gain on disposal of subsidiaries:	
Consideration received	634,200
Net assets disposed of	(491,006)
Legal fees	(9,343)
Cumulative translation reserve in respect of the net assets of TE Group reclassified from equity to profit or loss on loss of control of the subsidiaries	17,293
Gain on disposal *(Note 7)*	151,144

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND OPERATIONAL REVIEW

The Group is principally engaged in computer graphic imaging ("CGI"), cultural and entertainment business and investment business.

In view of the general slowdown in consumption growth in mainland China and brand fatigue of certain animation characters owned by Infoport Management Limited ("Infoport", together with its subsidiaries, "TE Group"), the Group disposed of its entire interest in TE Group to an independent third party for a cash consideration of approximately HK$634.2 million in October 2013 (the "Disposal"). The sale proceeds arising from the Disposal significantly increased the Group's financial strength and flexibility in the pursuit of investment opportunities. The Group utilised approximately HK$108.3 million of its cash balance to acquire certain listed corporate bonds since the last quarter of 2013. The Group's bond portfolio generates an average yield to maturity of about 5%.

In October 2013, the Group entered into an agreement to acquire properties consisting of the entire 9th floor of and three carparking spaces numbered 109, 110 and 111 in Global Trade Square, 21 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong at an aggregate consideration of HK$97.7 million. In July 2014, the Group completed the acquisition of the properties which are intended to be used, among other purposes, as a workshop.

FINANCIAL REVIEW

Review of Results

TE Group is engaged in licensing and management of cartoon character trademarks and copyrights, which was a principal business of the Group and an individual segment presented in the previous financial statements. For the year ended 31 December 2014 (the "Year under Review"), the Group did not report any revenue, cost of sales and gross profit because TE Group was disposed of in October 2013 and the Group slowed down the development of its CGI business.

Other income during the Year under Review comprised of (i) HK$8.3 million interest income generated from time deposits; (ii) HK$6.0 million interest income generated from investment in corporate bonds; and (iii) HK$2.0 million of income generated from licensing and broadcasting rights of a CGI feature film owned by the Group. Other income decreased from HK$44.4 million for the last financial year to HK$16.3 million for the Year under Review, representing a 63.4% decrease. The significant drop was mainly due to a one-off service fee of HK$40.0 million received in 2013 from the former shareholders of CPE, being a strategic partner of TE Group, for advising them on the disposal of their interests in CPE.

Administrative expenses decreased by HK$6.6 million or 38.2%, from HK$17.2 million for the last financial year to HK$10.6 million for the Year under Review, which was mainly due to the net effect of (i) a reduction in staff costs of HK$ 4.6 million, which comprised of a net reversal of equity-settled share-based payments amounting to HK$2.5 million, resulting from the cancellation of the unvested share options granted to Mr. Yung Tse Kwong, Steven, a former executive Director and chief executive officer of the Company; Ms. Ma Wai Man, Catherine, a former executive Director; and a former key management personnel of the Company, upon their resignation; (ii) a decrease in legal and professional fees of HK$2.9 million; (iii) an increase in depreciation of property, plant and equipment of HK$1.1 million upon the Group acquired properties located in Wong Chuk Hang; and (iv) a decrease in other administrative expenses amounting to HK$0.2 million.

The Group's profit from continuing operations decreased by HK$24.3 million or 87.6%, from HK$27.8 million for the last financial year to HK$3.5 million for the Year under Review.

Profit of the Group for the Year under Review was HK$3.5 million, compared with a loss of HK$21.9 million in the last financial year after the inclusion of a loss of HK$49.7 million recorded by TE Group which was reclassified under the discontinued operation.

Liquidity and Financial Resources

The liquidity and financial position of the Group as at 31 December 2014 remained healthy and strong, with bank balances amounting to HK$719.4 million (2013: HK$769.3 million) and a current ratio of 238.2 (2013: 208.4).

As at 31 December 2014, the Group had no bank or other borrowings and therefore the gearing ratio (expressed as a percentage of total borrowings over total capital) was zero (2013: zero).

PARTIAL DISPOSAL OF SHARES BY THE SINGLE LARGEST SHAREHOLDER OF THE COMPANY

On 29 July 2014, the Company was informed that its then single largest shareholder, Idea Talent Limited has entered into a sale and purchase agreement (the "Agreement") to dispose of part of its interest in the shares of the Company (the "Shares"). The Agreement was entered into between Idea Talent Limited (the "Seller"), Advance Beauty Holdings Limited (the "Purchaser"), Mr. Shan Jiuliang ("Mr. Shan"), Mr. Leung Pak To ("Mr. Leung") and Mr. Chung Cho Yee, Mico. Pursuant to the terms of the Agreement, the Seller has agreed to sell, and the Purchaser has agreed to purchase, a total of 2,088,440,000 Shares for a cash consideration of HK$0.26 per Share (equating to a total consideration of HK$542,994,400). The subject Shares represent approximately 20.95% of the Company's issued share capital.

The Seller is a company controlled by Mr. Leung, a former chairman and current non-executive Director of the Company. The Purchaser is a company that is legally and beneficially owned by Mr. Shan and Ms. Zhang Peng ("Ms. Zhang"), who were third parties independent of the Company and any of its directors as at the date of the Agreement.

The partial disposal of Shares by the single largest shareholder of the Company was completed on 16 September 2014. On the same day, Mr. Leung was resigned from the position as the chairman of the Board (the "Chairman") and Mr. Shan was appointed as the Chairman and executive Director and Ms. Zhang was appointed as the executive Director. For further information regarding to the partial disposal of Shares by the single largest shareholder of the Company, please refer to the announcements of the Company dated 29 July 2014 and 16 September 2014.

FUTURE PLANS AND PROSPECTS

The Board is undertaking a strategic review as to how best to utilise its surplus cash to create additional value for the shareholders of the Company (the "Shareholder(s)"). Given its strong financial position, the Group is well positioned to capture investment opportunity which may arise in the future. Given the experience of Mr. Shan and Ms. Zhang in trading, financing and investing in the PRC and Mr. Leung's experience in investment banking and private equity investing, the Group is developing a major commodities trading platform and related internet-based finance new business. The business structure and plan of the new business have been finalised and preliminary preparatory work is undergoing.

GENERAL INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard corporate governance practices as the Board considers that good and effective corporate governance is essential for enhancing accountability and transparency of a company to the investing public and other stakeholders.

During the year ended 31 December 2014, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules, except for the deviation from Code provision A.6.7 of the CG Code which provides that independent non-executive directors and other non-executive directors should attend the general meeting of the Company. Due to their respective overseas engagements, Mr. Lian Meng, Dr. Lam Lee G. and Ms. Wei Wei were unable to attend the annual general meeting of the Company held on 26 May 2014.

CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding to Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules. In response to the specific enquiry made by the Company, all the Directors confirmed that they fully complied with the required standard as set out in the Model Code throughout the year ended 31 December 2014.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2014, the Company repurchased a total of 44,712,000 Shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration (before expenses) of HK$3,935,000. All the repurchased Shares were subsequently cancelled. The Directors consider that, the repurchases were made for the benefit of the Company and its Shareholders as a whole with a view to enhancing the earnings per Share. Details of the repurchases are as follows:

Month	**Number of shares repurchased**	**Price paid per share**	**Aggregate consideration paid (before expenses)**
		HK$	*HK$*
January 2014	24,712,000	0.088	2,175,000
February 2014	20,000,000	0.088	1,760,000

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2014.

REVIEW OF THE RESULTS

The audit committee of the Company has reviewed with the management and the independent auditor of the Company the annual results and the consolidated financial statements of the Group for the year ended 31 December 2014.

By order of the Board
Imagi International Holdings Limited
Shan Jiuliang
Chairman

Hong Kong, 25 March 2015

As at the date of this announcement, the Board comprises Mr. Shan Jiuliang as the Chairman and executive director; Ms. Zhang Peng as the executive director; Mr. Leung Pak To and Mr. Wen Di as the non-executive directors; and Mr. Chan Yuk Sang, Mr. Cheng Yuk Wo and Dr. Lam Lee G. as the independent non-executive directors.