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**IMAGI INTERNATIONAL HOLDINGS LIMITED**  
**意力國際控股有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 585)**

**SUPPLEMENTAL ANNOUNCEMENT  
DISCLOSEABLE TRANSACTION  
ISSUANCE OF NEW SHARES BY A SUBSIDIARY  
IN EXCHANGE FOR THE SUBSCRIBER'S SHARES**

Reference is made to the announcement (the “**Announcement**”) of Imagi International Holdings Limited (the “**Company**”) dated 30 January 2026 in relation to the Subscription. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as they are defined in the Announcement.

The Company would like to provide further details on the Subscription as follows.

**Basis of determination of the Subscription Price**

It was disclosed in the Announcement that the Subscription Price was determined based on arm’s length negotiations between IFGL and the Subscriber on normal commercial terms with reference to (i) the net asset value of IFGL of approximately HK\$820.3 million as at 30 November 2025; and (ii) the market value of IFGL as at 30 November 2025 of approximately HK\$720.5 million assessed by an independent valuer (the “**Valuer**”) using asset-based approach method.

The Valuer is an independent professional firm engaged by the Subscriber. The asset-based approach was adopted by the Valuer because IFGL’s value is primarily driven by its investment positions and liquid assets, which can be reliably measured at market value. The market-based approach was not adopted in this case because the type and level of investment in the comparable companies are unclear, limiting transparency and making their valuation multiples not indicative for benchmarking purposes. The income-based approach was not adopted because IFGL’s earnings and cash flows are highly driven by market-dependent investment results, making reliable long-term forecasting impracticable. The Valuer has therefore considered the adoption of the asset-based approach in arriving at the market value of IFGL.

The major assets measured in market values were Accounts Receivable and Loan Receivables, Other Financial Assets and Held-For-Trading Investments, Other investment and with adjustment in marketability discount and minority discount.

### **Accounts Receivable and Loan Receivables**

Expected credit losses have been considered in arriving at the market value of accounts receivable and loan receivables. Counterparty risk of default and recovery rate have been considered.

### **Other Financial Assets and Held-For-Trading Investments**

The portfolio of other financial assets and held-for-trading investments are all listed securities in Hong Kong, the Valuer has made reference to the closing price of the listed securities as at 30 November 2025 in measuring its market value.

### **Other investment**

As at 30 November 2025, IFGL and its subsidiaries (the “**IFGL Group**”) held certain unlisted investments, being equity investments in three private corporate entities. After examining their respective group structures and investment portfolio, the Valuer determined the effective interests attributable to IFGL.

During the valuation process, the Subscriber has discussed with IFGL and IFGL confirmed the book values of portfolio companies’ assets and liabilities reasonably reflect their market values, and accordingly, the Valuer adopted their book values as proxies for market value with adjustment on the expected credit losses relating to the loan receivables held by some of these portfolio companies.

The Valuer derived the value attributable to IFGL by multiplying (i) the effective interest of each portfolio company held by IFGL and (ii) the respective market value of each of the portfolio companies.

### **Marketability Discount**

Compared to similar interest in public companies, ownership interest is not readily marketable for closely held companies. Therefore, the value of a share of stock in a privately held company is usually less than an otherwise comparable share in a publicly held company. With reference to the result of the restricted stock study published in “Stout Restricted Stock Study” by Stout Risius Ross, LLC, a discount for lack of marketability of investment holding companies of 9.88% was adopted in arriving at the market value of IFGL as at the date of valuation, i.e. 30 November 2025 (the “**Date of Valuation**”).

## **Minority Discount**

As the Valuer is considering the value of IFGL from the perspective of non-controlling interest, a minority discount of 10.73% of investment holding company in Hong Kong has been adopted in arriving at the market value of IFGL to reflect the lower marketability of a non-controlling interest compared to a controlling interest. The Valuer has made reference to the Mergerstat Control Premium Study which was published by FactSet Mergerstat, LLC.

## **Key Assumptions**

The Valuer has adopted certain specific assumptions in the valuation and the major ones are as follows:

- (i) The unaudited consolidated financial statement of IFGL as at 30 November 2025 and the unaudited financial statement of the companies invested by IFGL as at 30 November 2025 and 30 September 2025 can reasonably represent the IFGL Group's financial positions as at the Date of Valuation as audited financial statements as at 30 November 2025 were not available;
- (ii) All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the IFGL Group operates or intends to operate would be officially obtained and renewable upon expiry;
- (iii) There will be sufficient supply of technical staff in the industries in which the IFGL Group operates, and IFGL Group will retain competent management, key personnel and technical staff to support its ongoing operations and developments;
- (iv) There will be no major change in the current taxation laws in the localities in which the IFGL Group operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;
- (v) There will be no major change in the political, legal, economic or financial conditions in the localities in which the IFGL Group operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the IFGL Group; and
- (vi) Interest rates and exchange rates in the localities for the operation of the IFGL Group will not differ materially from those presently prevailing.

**As the Completion is subject to the fulfillment of the Conditions, the Subscription may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

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

Hong Kong, 27 February 2026

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:*

Mr. Kitchell Osman Bin (*Chairman*)

Ms. Choi Ka Wing

Mr. Shimazaki Koji

*Independent non-executive Directors:*

Mr. Chan Hak Kan

Ms. Liu Jianyi

Mr. Miu Frank H.