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**IMAX<sup>®</sup>**

**IMAX Corporation**

*(Incorporated in Canada with limited liability)*

**IMAX<sup>®</sup>**

**IMAX China Holding, Inc.**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1970)**

## **JOINT ANNOUNCEMENT**

**(1) PROPOSED PRIVATISATION OF IMAX CHINA HOLDING, INC. BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE COMPANIES ACT**

**(2) PROPOSED WITHDRAWAL OF LISTING OF IMAX CHINA HOLDING, INC.**

**(3) DESPATCH OF SCHEME DOCUMENT**

**Financial Adviser to the Offeror**

**Morgan Stanley**

**Morgan Stanley Asia Limited**

**Independent Financial Adviser to the Independent Board Committee**



**SOMERLEY CAPITAL LIMITED**

**Somerley Capital Limited**

## **INTRODUCTION**

Reference is made to (i) the announcement dated 13 July 2023 jointly published by IMAX China Holding, Inc. (the “**Company**”) and IMAX Corporation (the “**Offeror**”) in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under section 86 of the Companies Act of the Cayman Islands; (ii) the announcements dated 3 August 2023 and 5 September 2023 jointly published by the Company and the Offeror in relation to the delay in despatch of scheme document and monthly update on the status of the Proposal and the Scheme; and (iii) the scheme document (the “**Scheme Document**”) dated 15 September 2023 jointly issued by the Company and the Offeror in relation to, among other things, the Proposal, the Scheme and the Share Incentive Proposal.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

## **DESPATCH OF SCHEME DOCUMENT**

The Scheme Document, together with the notices of the Court Meeting and the EGM to be held on Tuesday, 10 October 2023 and the related forms of proxy, will be despatched to the Shareholders on Friday, 15 September 2023.

The Scheme Document, Letter to the Share Incentive Holders and Form of Acceptance will also be despatched to the Share Incentive Holders on Friday, 15 September 2023.

The Scheme Document contains, among other things, further details of the Proposal, the Scheme and the Share Incentive Proposal, an explanatory memorandum as required under the Companies Act, the expected timetable relating to the Proposal, the Scheme and the Share Incentive Proposal, a letter from the Board, the recommendations of the Independent Board Committee, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and notices of the Court Meeting and the EGM.

## **RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISERS**

The Independent Board Committee, comprising Ms. Yue-Sai KAN, Mr. John DAVISON, Ms. Dawn TAUBIN and Mr. Peter LOEHR (being all of the independent non-executive Directors), has been established by the Board to make a recommendation to the Disinterested Shareholders and the Share Incentive Holders (as applicable) as to: (i) whether the terms of the Proposal, the Scheme and the Share Incentive Proposal are, or are not, fair and reasonable; (ii) voting by the Disinterested Shareholders on the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal at the EGM; and (iii) acceptance by the Share Incentive Holders of the Share Incentive Proposal.

The Board, with the approval of the Independent Board Committee, has appointed Somerley as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal, the Scheme and the Share Incentive Proposal pursuant to Rule 2.1 of the Takeovers Code.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the terms of the Proposal, the Scheme and the Share Incentive Proposal are fair and reasonable so far as the Disinterested Shareholders and the Share Incentive Holders are respectively concerned, and accordingly, it advises the Independent Board Committee to recommend to (a) the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (b) the Share Incentive Holders to accept the Share Incentive Proposal.

The Independent Board Committee, having been so advised, considers that the terms of the Proposal, the Scheme and the Share Incentive Proposal are fair and reasonable so far as the Disinterested Shareholders and the Share Incentive Holders are respectively concerned. Accordingly, the Independent Board Committee recommends (a) the Disinterested Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (b) the Share Incentive Holders to accept the Share Incentive Proposal.

Shareholders and Share Incentive Holders are urged to read carefully the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser as set out in their respective letters contained in the Scheme Document.

## **COURT MEETING AND EGM**

The Court Meeting and the EGM are scheduled to be held at 7:00 a.m. and 7:30 a.m. (or, if later, immediately after the conclusion or adjournment of the Court Meeting), respectively, on Tuesday, 10 October 2023 at Board Meeting Room, 5F, Shanghai Marriott Hotel City Centre, 555 Xi Zang (Middle) Road, Huangpu District, Shanghai, China.

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purposes of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modifications).

The EGM will be held immediately following the conclusion or adjournment of the Court Meeting for the purpose of considering and, if thought fit, passing a special resolution to approve and give effect to (a) any reduction of the issued share capital of the Company on the Effective Date by cancelling the Scheme Shares; and (b) the contemporaneous issuance to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and the application of the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares.

Notices of the Court Meeting and the EGM are contained in the Scheme Document. The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the EGM by 7:00 p.m. on Tuesday, 10 October 2023.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 5 October 2023 to Tuesday, 10 October 2023 (both days inclusive) and during such period, no transfer of Shares will be effected.

In order to qualify to vote at the Court Meeting and the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 4 October 2023. A subsequent purchaser of Shares will need to obtain a proxy form from the transferor if he or she wishes to attend or vote at the Court Meeting or the EGM.

## **CONDITIONS OF THE PROPOSAL**

Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or (where applicable) waived. All of the Conditions must be fulfilled or (where applicable) waived on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. If the Conditions are satisfied or (where applicable) waived, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

The Share Incentive Proposal is conditional on the Scheme becoming effective. If any of the Conditions is not fulfilled or (where applicable) waived on or before the Long Stop Date and the Proposal and the Scheme lapse, the Share Incentive Proposal will also lapse.

If all the resolutions are passed at the Court Meeting and/or the EGM, further announcement(s) will be made in relation to, among other things, the outcome of the Court Hearing and, if the Scheme is sanctioned, the Record Date, the Effective Date and the date of withdrawal of listing of Shares from the Stock Exchange, in accordance with the requirements of the Takeovers Code and the Listing Rules.

## EXPECTED TIMETABLE

**The expected timetable is indicative only and is subject to change.** Further announcement(s) will be made if there is any change to the following expected timetable. Unless otherwise specified, all times and dates refer to Hong Kong local dates and times.

**Hong Kong time  
(unless otherwise specified)**

Despatch of the Scheme Document and the Letter to  
the Share Incentive Holders. . . . . Friday, 15 September 2023

Latest time for Share Option Holders to lodge notice of  
exercise of their Share Options in order to become  
entitled to attend and vote at the Court Meeting and the EGM. . . . . 4:30 p.m. on  
Wednesday, 4 October 2023

Latest time for lodging transfers of Shares in order to  
become entitled to attend and vote at the Court Meeting and the EGM . . . . . 4:30 p.m. on  
Wednesday, 4 October 2023

Register of members of the Company closed for  
determining entitlements of the Scheme Shareholders to  
attend and vote at the Court Meeting and entitlements of  
the Shareholders to attend and vote at the EGM (*Note 1*). . . . . Thursday, 5 October 2023 to  
Tuesday, 10 October 2023  
(both days inclusive)

Latest time for lodging **PINK** forms of proxy in respect of  
the Court Meeting (*Note 2*). . . . . 7:00 a.m. on  
Sunday, 8 October 2023

Latest time for lodging **WHITE** forms of proxy in  
respect of the EGM (*Note 2*). . . . . 7:30 a.m. on  
Sunday, 8 October 2023

Meeting Record Date. . . . . Tuesday, 10 October 2023

Court Meeting (*Note 3*). . . . . 7:00 a.m. on  
Tuesday, 10 October 2023

EGM (*Note 3*). . . . . 7:30 a.m. on  
Tuesday, 10 October 2023  
(or, if later, immediately after the conclusion or  
adjournment of the Court Meeting)

Announcement of the results of the Court Meeting and the EGM . . . . .	no later than 7:00 p.m. on Tuesday, 10 October 2023
Expected last time for trading of the Shares on the Stock Exchange . . . . .	4:10 p.m. on Wednesday, 11 October 2023
Latest time for Share Option Holders to lodge notice of exercise of their Share Options in order to qualify for entitlements under the Scheme . . . . .	4:30 p.m. on Friday, 13 October 2023
Court Hearing . . . . .	Tuesday, 17 October 2023 (Cayman Islands time)
Latest time and date for lodging the Form of Acceptance in relation to the Share Incentive Proposal ( <i>Note 4</i> ) . . . . .	4:30 p.m. on Tuesday, 17 October 2023
Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme . . . . .	4:30 p.m. on Tuesday, 17 October 2023
Announcement of (1) the results of the Court Hearing, (2) the expected Effective Date, and (3) the expected date of withdrawal of the listing of the Shares from the Stock Exchange . . . . .	no later than 8:30 a.m. on Wednesday, 18 October 2023
Register of members of the Company closed for determining entitlements under the Scheme ( <i>Note 5</i> ) . . . .	Wednesday, 18 October 2023 onwards
Record Date . . . . .	Thursday, 19 October 2023
Effective Date and the effective date of the Share Incentive Proposal ( <i>Note 6</i> ) . . . . .	Thursday, 19 October 2023 (Cayman Islands time)
Grant of Offeror RSUs and Offeror PSUs and cancellation of all Share Incentives pursuant to the Share Incentive Proposal ( <i>Note 7</i> ) . . . . .	Thursday, 19 October 2023

Announcement of (1) the Effective Date, (2) the results of the Share Incentive Proposal and (3) the withdrawal of the listing of the Shares from the Stock Exchange . . . . .no later than 8:30 a.m. on Friday, 20 October 2023

Withdrawal of the listing of the Shares from the Stock Exchange becomes effective (*Note 8*) . . . . . 9:00 a.m. on Tuesday, 24 October 2023

Latest time to (1) despatch cheques for cash payment of the Offer Price to the Scheme Shareholders under the Scheme and (2) despatch cheques or effect bank transfer for cash payment to the Share Incentive Holders who have accepted the LTIP Option Offer and/or the Share Option Offer (*Note 9*) . . . . . on or before Tuesday, 31 October 2023

*Notes:*

1. The register of members of the Company will be closed during such period for the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the Shareholders to attend and vote at the EGM. This book closure period is not for determining the entitlements under the Scheme.
2. Forms of proxy should be deposited at the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible, but in any event no later than the respective times and dates stated above. In the case of the **PINK** form of proxy in respect of the Court Meeting, it may also be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). If the **WHITE** form of proxy is not lodged at least 48 hours before the time appointed for the EGM, it will not be valid. The completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a Shareholder from attending and voting at the relevant meeting or any adjournment thereof in person. In such event, the relevant form of proxy will be revoked by operation of law.
3. The Court Meeting and the EGM will be held at Board Meeting Room, 5F, Shanghai Marriott Hotel City Centre, 555 Xi Zang (Middle) Road, Huangpu District, Shanghai, China at the times and dates specified above. Please refer to the notice of Court Meeting set out in Appendix IV of the Scheme Document and the notice of EGM set out in Appendix V of the Scheme Document for details.
4. Form of Acceptance, duly completed in accordance with the instructions on them, must be lodged with the Company at 7/F, Verdant Place, No. 128 West Nanjing Road, Huangpu District, Shanghai, PRC, for the attention of the Legal Department and marked “IMAX Corporation – Share Incentive Proposal” by no later than 4:30 p.m. (Hong Kong time) on Tuesday, 17 October 2023 (or such later date and time as may be notified to you by the Offeror and the Company).
5. The register of members of the Company will be closed during such period for the purpose of determining the Scheme Shareholders who are qualified for entitlements under the Scheme.

6. The Scheme will become effective upon the fulfilment or waiver (as applicable) of all of the Conditions to the Proposal as set out in the section headed “3. Conditions of the Proposal and the Scheme” in Part VII – Explanatory Memorandum of the Scheme Document.
7. Pursuant to the Share Award Offer, on the Effective Date, each RSU Holder (who accepts the Share Award Offer) will be granted Offeror RSUs under the Offeror LTIP with respect to the unvested RSUs held by him/her as at the Record Date, and each PSU Holder (who accepts the Share Award Offer) will be granted Offeror PSUs under the Offeror LTIP with respect to the unvested PSUs held by him/her as at the Record Date. All Share Incentives will be cancelled on the Effective Date.
8. If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at 9:00 a.m. on Tuesday, 24 October 2023.
9. Cheques for payment of the Offer Price to the Scheme Shareholders will be despatched within 7 business days (as defined in the Takeovers Code) following the Effective Date by ordinary post in postage pre-paid envelopes addressed to the person(s) entitled thereto at their respective addresses as appearing on the register of members of the Company as at the Record Date or, in the case of joint holders, at the address appearing on the register of members of the Company as at the Record Date of the joint holder whose name then stands first in the Register in respect of the relevant joint holding.

Payment (by cheque or bank transfer) for acceptances under the LTIP Option Offer and the Share Option Offer in respect of LTIP Options and Share Options in issue as at the Record Date will be despatched or made within 7 business days (as defined in the Takeovers Code) following the Effective Date and (if made by way of cheques) shall be despatched by ordinary post in postage pre-paid envelopes addressed to the relevant Share Incentive Holders at their respective last known addresses as notified by the Share Incentive Holders to the Group or (if made by way of bank transfers) shall be paid into the relevant Share Incentive Holders’ bank account as customarily used by them to receive other compensations from the Group (or as otherwise notified by such Share Incentive Holders to the Group).

**Warning: Shareholders, Share Incentive Holders and potential investors should be aware that the implementation of the Proposal, the Scheme and the Share Incentive Proposal is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal and the Share Incentive Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders, Share Incentive Holders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

By order of the board of  
**IMAX Corporation**  
**Kenneth I. Weissman**

*Deputy General Counsel & Corporate Secretary*

By order of the Board  
**IMAX China Holding, Inc.**  
**Yifan (Yvonne) He**

*Joint company secretary*

Hong Kong, 15 September 2023



*As at the date of this announcement, the directors of the Offeror are Mr. Darren THROOP, Mr. Richard GELFOND, Ms. Gail BERMAN, Mr. Eric DEMIRIAN, Mr. Kevin DOUGLAS, Mr. David LEEBRON, Mr. Michael MACMILLAN, Mr. Steve PAMON, Ms. Dana SETTLE and Ms. Jen WONG.*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Directors in their capacity as the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Jiande CHEN, Mr. Jim ATHANASOPOULOS and Ms. Mei-Hui (Jessie) CHOU, two non-executive Directors, namely Mr. Richard GELFOND and Mr. Robert LISTER, and four independent non-executive Directors, namely Mr. John DAVISON, Ms. Yue-Sai KAN, Ms. Dawn TAUBIN and Mr. Peter LOEHR.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the directors of the Offeror in their capacity as the directors of the Offeror) have been arrived at after due and careful consideration and there are no other acts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*In the event of any inconsistency between the English version and the Chinese version of this announcement, the English version shall prevail.*