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**CMMB VISION HOLDINGS LIMITED**  
**中國移動多媒體廣播控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 471)**

- (1) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY ONE EXISTING SHARE HELD ON THE RECORD DATE AT HK\$0.1 PER RIGHTS SHARE AND**
- (2) ONE BONUS SHARE FOR EVERY ONE RIGHTS SHARE TAKEN UP UNDER THE RIGHTS ISSUE**

**RIGHTS ISSUE AND BONUS SHARES**

The Company proposed to raise not less than approximately HK\$625.32 million and not more than approximately HK\$626.34 million before expenses by way of issue of not less than 6,253,189,277 and not more than 6,263,404,189 new Shares pursuant to the Rights Issue on the basis of one Rights Share for every one Share in issue on the Record Date at the Subscription Price of HK\$0.1 per Rights Share, which equals to the par value of a Share. It is also proposed to allot and issue the Bonus Shares on the basis of one Bonus Share for every one Rights Share taken up under the Rights Issue. A Shareholder will acquire two new Shares for HK \$0.1 in respect of each Share held on the Record Date. On the basis of provisional allotment of one Rights Share for every one Share held by the Qualifying Shareholders on the Record Date and one Bonus Share for every one Rights Share taken up under the Rights Issue, no fractional entitlements to the Rights Shares under the Rights Issue will arise. Fractional entitlements to the Bonus Shares will not be allotted and will not be issued. The net proceeds from the Rights Issue after deducting related expenses are estimated to be approximately HK\$623.82 million, assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date.

The Rights Issue will be fully underwritten by the Underwriters on the terms and subject to the conditions set out in the Underwriting Agreement.

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on 18 March 2016. It is expected that the last day of dealings in Shares on a cum-rights basis is 16 March 2016 and Shares will be dealt with on an ex-rights basis from 17 March 2016.

### **LISTING RULES IMPLICATIONS**

Chi Capital, being a company wholly-owned by Mr. Wong Chau Chi, is an associate of Mr. Wong Chau Chi under the Listing Rules. Mr. Wong Chau Chi, being a Director, is a connected person of the Company, and hence Chi Capital, being an associate of Mr. Wong Chau Chi, is also a connected person of the Company under the Listing Rules. The Underwriting Agreement constitutes a connected transaction for the Company under the Listing Rules. As Chi Capital subscribes for the Rights Shares in its capacity as an underwriter of the Rights Issue and Rule 7.21 of the Listing Rules has been complied with, the Rights Issue is exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to R14A.92(2)(b) of the Listing Rules.

As the Company has not made arrangements for the Qualifying Shareholders to apply for the Rights Shares in excess of their entitlements under the Rights Issue in accordance with Rule 7.21(1), and that all the Untaken Shares will be underwritten by the Underwriter (and any sub-underwriters procured by the Underwriter), Independent Shareholders' approval will be required pursuant to Rule 7.21(2) of the Listing Rules in respect of such arrangement under the Rights Issue.

In addition, as the Rights Issue would increase the issued share capital of the Company by more than 50%, the Rights Issue is made conditional on approval by the Independent Shareholders in accordance with Rule 7.19(6)(a) of the Listing Rules.

Chi Capital and Mr. Wong Chau Chi and their associates and Shareholders who have a material interest in the Underwriting Agreement and/or the Rights Issue will abstain from voting.

## **GENERAL**

The EGM will be convened for the Independent Shareholders to consider, and, if thought fit, to approve, among other things, the Rights Issue and the Underwriting Agreement.

A circular containing, among other matters, further details of (i) the Rights Issue and the Underwriting Agreement; and (ii) a notice of the EGM, shall be despatched as soon as practicable.

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM**

**The Rights Issue is conditional on the Underwriting Agreement having become unconditional and not having been terminated (see the sub-section headed “Termination of the Underwriting Agreement” in this announcement). The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” in this announcement. It is expected that Shares will be dealt with on an ex-rights basis from 17 March 2016 and Rights Shares will be dealt with in their nil-paid form from 29 March 2016 to 6 April 2016. If the Underwriter exercises such right, the Rights Issue will not proceed.**

**Any buying or selling of Shares or Rights Shares between the date of this announcement and the date the Rights Issue becomes unconditional is at an investor’s own risk.**

**Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in Shares and nil-paid Rights Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **RIGHTS ISSUE WITH THE BONUS SHARES**

The Company proposed to raise not less than approximately HK\$625.32 million and not more than approximately HK\$626.34 million before expenses by way of issue of not less than 6,253,189,277 and not more than 6,263,404,189 new Shares pursuant to the Rights Issue on the basis of one Rights Share for every one Share in issue on the Record Date at the Subscription Price of HK\$0.1 per Rights Share. It is also proposed to allot and issue B o n u s Shares on the basis of one Bonus Share for every one Rights Share taken up under the Rights Issue. A Shareholder will acquire two new Shares for HK\$0.1 in respect of each Share held on the Record Date. Particulars of the Rights Issue and the Bonus Shares are as follows.

### **Issue statistics**

**Basis of the Rights Issue:** one (1) Rights Share for every one (1) existing Share any Qualifying Shareholder holds at the close of business on the Record Date together with one (1) Bonus Share for every one (1) Rights Share taken up under the Rights Issue

**Subscription Price** : HK\$0.1 per Rights Share

**Number of Shares in issue as at the date of this announcement** : 6,253,189,277 Shares

**Number of Rights Shares** : not less than 6,253,189,277 (assuming no further issue of new Shares on or before the Record Date) and not more than 6,263,404,189 new Shares (assuming all the outstanding Share Options are exercised and no other issue of new Shares on or before the Record Date) to be issued pursuant to the Rights Issue on the basis of one Rights Share for every one (1) Share in issue on the Record Date

**Number of Bonus Shares:** not less than 6,253,189,277 and not more than 6,263,404,189 new Shares to be issued on the basis of one (1) Bonus Share for every one (1) Rights Share taken up under the Rights Issue

As at the date of this announcement, save as (i) the Share Options granted under the Pre-Listing Share Option Scheme of the Company entitling the holders to subscribe for a total of 10,214,912 Shares upon full exercise of such options; and (ii) the Convertible Notes issued by the Company to Chi Capital which will require the Company to allot and issue 2,285,751,374 Shares upon conversion in full, the Company had no outstanding warrants, options, derivatives or securities convertible into or exchangeable for Shares.

Assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date, the Rights Shares to be issued pursuant to the terms of the Rights Issue and the Bonus Shares to be issued together represent 200% of the existing issued share capital of the Company and 66.6% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue and issue of the Bonus Shares.

### **Subscription Price**

The subscription price of HK\$0.1 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or when a transferee of nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a premium of approximately 9.89% to the closing price of HK\$0.091 per Share as quoted on the Stock Exchange on 29 January 2016, being the last trading day prior to the date of the Underwriting Agreement;
- (ii) a premium of approximately 23.46% to the average closing price of approximately HK\$0.081 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 29 January 2016;
- (iii) a premium of approximately 57.07% to the theoretical ex-rights price of approximately HK\$0.064 per Share based on the closing price as quoted on the Stock Exchange on 29 January 2016.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to the recent market prices of the Shares and market conditions. It is equal to the parvalue of a Share which is the minimum price at which any new Shares may be issued, according to the articles of association of the Company. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date. The Directors consider the Subscription Price to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Status of the Rights Shares and the Bonus Shares**

The Rights Shares and the Bonus Shares, when allotted and fully paid, will rank pari passu in all respects among themselves and with the Shares then in issue. Holders of fully-paid Rights Shares and the Bonus Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of the allotment of the Rights Shares and the Bonus Shares, both in their fully-paid forms.

## **Qualifying Shareholders**

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on 18 March 2016. It is expected that the last day of dealings in Shares on a cum-rights basis is 16 March 2016 and Shares will be dealt with on an ex-rights basis from 17 March 2016.

The Company will post on the Posting Date copies of the Prospectus Documents to the Qualifying Shareholders and post copies of the Prospectus marked "For information only" together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date.

## **Excluded Shareholders**

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. There were a total of eight Overseas Shareholders located in Belize, the PRC, Taiwan, the United States of America and the British Virgin Islands as at 31 December 2015. The Company will make enquiries in compliance with the Listing Rules. If the Directors, based on results of such enquiries made, consider that it is necessary or expedient to exclude such Overseas Shareholders from the Rights Issue on account of the legal restrictions under the laws or requirements of the relevant regulatory body or stock exchange in the places where such Overseas Shareholders reside, the Rights Issue will not be available to such Overseas Shareholders. The results of the enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus.

The Company shall provisionally allot Rights Shares which would be provisionally allotted to the Excluded Shareholders had they been Qualifying Shareholders to a person nominated by the Company in nil-paid form and shall by no later than the close of business on the Posting Date advise the Underwriter of the Rights Shares which have been so allotted.

## **Fractional entitlement to the Rights Shares and the Bonus Shares**

On the basis of provisional allotment of one Rights Share for every one Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise. Fractional entitlements to the Bonus Shares will not be allotted or issued.

## **No application for excess Rights Shares**

The Qualifying Shareholders will not be entitled to subscribe for any Rights Shares in excess of their respective entitlements. Considering that the Rights Issue will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, the Company considers that if application for excess Rights Shares is arranged, the Company would be required to put in additional effort and costs to administer the excess Rights Shares application procedures. Accordingly, the Board has decided that no excess Rights Shares will be offered to the Qualifying Shareholders and any Untaken Shares will be underwritten by the Underwriter. As the related administration costs would be lowered, the Directors consider that the absence of application for excess Rights Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Application for listing**

The Company will apply to the Listing Committee for the listing of, and permission to deal in, (i) the Rights Shares in both nil-paid and fully-paid forms; and (ii) the Bonus Shares. The nil-paid Rights Shares and the Bonus Shares shall have the same board lot size as the Shares, i.e. 20,000 Shares in one board lot.

It is expected that the Rights Shares will be dealt with in their nil-paid form from 29 March 2016 to 6 April 2016. Dealings in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and any other applicable fees and charges in Hong Kong.

Subject to the grant of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms and the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms and the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both nil-paid and fully-paid forms and the commencement date of dealings in the Bonus Shares, respectively, on the Stock Exchange or such other dates as 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 trading 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 to enable the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares to be admitted into CCASS.

### **Share certificates for the Rights Issue and the Bonus Shares**

Subject to the fulfilment of the condition of the Rights Issue, share certificates for all fully-paid Rights Shares and Bonus Shares are expected to be posted to those entitled thereto by 18 April 2016 by ordinary post at their own risk.

### **Condition of the Rights Issue and the Bonus Shares**

The Rights Issue and the issue of the Bonus Shares are conditional upon the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms or otherwise. The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” of this announcement.

**If the conditions of the Underwriting Agreement are not fulfilled, the Rights Issue and the issue of the Bonus Shares will not proceed.**

### **Irrevocable Undertaking from Chi Capital**

As at the date of this announcement, Chi Capital, which was interested in 1,576,891,352 Shares representing approximately 25.22% of the existing issued Shares, has irrevocably undertaken to the Company that:

- (a) to subscribe or procure the subscription of the 1,576,891,352 Rights Shares which will constitute the provisional allotment of Rights Shares in respect of the Shares beneficially owned by Chi Capital pursuant to the terms of the Rights Issue;
- (b) that the Shares referred to in paragraph (a) above will remain registered in the name of Chi Capital at the close of business on the Record Date as they are on the date hereof;



- (c) to procure that the acceptances in full in respect of the aforesaid Rights Shares provisionally allotted to Chi Capital and/or its nominees shall be lodged with the Share Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the Acceptance Date or such later date as the Company may agree;
- (d) Chi Capital shall not, and shall procure that (so far as reasonably possible) companies controlled by Chi Capital do not, dispose of or transfer any Shares, or any interests therein from the date hereof up to and including two Business Days after the Acceptance Date; and
- (e) Chi Capital shall not convert the whole nor any part of the Convertible Notes into Shares at any time prior to the completion of the Rights Issue.

In the event that Chi Capital should fail to comply with the undertakings given above, Chi Capital irrevocably authorise the Company in its discretion to treat this undertaking as Chi Capital's acceptance of such of the Rights Shares provisionally allotted to Chi Capital on the terms of the Prospectus Documents (save as regards the time for acceptance and payment), to allot and issue the same in the name of Chi Capital and to procure the registration of the same in the name of Chi Capital.

### **The Underwriting Agreement**

*Date:* 29 January 2016

*Parties:* (i) the Company; and  
(ii) Chi Capital (as the Underwriter)

*Number of the Underwritten Shares:* The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the Underwritten Shares, being not less than 4,676,297,925 and not more than 4,686,512,837 Rights Shares, at the Subscription Price, being the total number of Rights Shares under the Rights Issue excluding 1,576,891,352 Rights Shares undertaken to be subscribed by Chi Capital pursuant to the Irrevocable Undertaking mentioned above.

The Underwriter will subscribe or procure subscribers for the Untaken Shares on the following basis:

- (i) firstly, out of all the Untaken Shares, Chi Capital shall take up to 895,000,000 Untaken Shares, equivalent to HK\$89,500,000 (which is the Chi Capital Portion); and
- (ii) if there is any balance of the Untaken Shares after deducting the Chi Capital Portion, they shall be taken up by sub-underwriters procured by Chi Capital.

*Fees, commission and expenses:*

Chi Capital will not be entitled to any underwriting commission or fees.

The Company shall pay all costs, charges and expenses (if any) documented in writing and properly incurred of or incidental to the Rights Issue and the arrangements hereby contemplated including financial advisory and documentation fees, printing and translation charges, the fees of the Company's auditors, solicitors and registrars, and the fees payable to the Stock Exchange, and any sub-underwriting fees and expenses relating to the sub-underwriting (if any).

### **Conditions of the Underwriting Agreement**

The obligations of the Underwriter under the Underwriting Agreement are conditional on:

- (a) the passing at a duly convened general meeting of the shareholders of the Company held on or before the Posting Date of the necessary resolutions of the Independent Shareholders, who are permitted to vote under the Listing Rules, approving the Rights Issue and the Underwriting Agreement and the transactions contemplated thereunder;
- (b) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified by two Directors or their duly authorised agents in compliance with section 342C of the Companies (WUMP) Ordinance (and all other documents required to be attached thereto), and otherwise complying with the requirements of the Companies (WUMP) Ordinance and the Listing Rules;

- (c) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and the posting of copies of the Prospectus marked “For information only” together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (d) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement;
- (e) compliance with and performance of all the undertakings and obligations of Chi Capital under the Irrevocable Undertaking;
- (f) the Listing Committee of the Stock Exchange agreeing to grant listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any) by no later than the Posting Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listing and permission on or before 4:00 p.m. on the Settlement Date.

In the event that the above conditions (other than the condition (f)) have not been satisfied and/or waived in whole or in part by the Underwriter on or before the Posting Date or in the event that the condition (f) has not been satisfied on or before 4:00 p.m. on the Settlement Date (or in each case, such later date as the Underwriter and the Company may agree), all liabilities of the parties hereto shall cease and terminate and neither party shall have any claim against the other save that the Company shall indemnify the Underwriter for all reasonable costs, fees and other out of pocket expenses (excluding sub underwriting fees and related expenses) that have been properly incurred and documented in writing by the Underwriter in connection with the underwriting of the Underwritten Shares. The Company shall use all reasonable endeavours to procure the fulfilment of the above conditions (to the extent it is within its power to do so), and shall do all things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Rights Issue and the arrangements contemplated by the Underwriting Agreement.

## **Termination of the Underwriting Agreement**

The Underwriter may by notice in writing to the Company given served at any time prior to 6:00 p.m. on the Settlement Date or such later time as the Company and the Underwriter may agree, terminate the Underwriting Agreement if any of the following grounds of termination happens:

- (a) in the sole and absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (1) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the sole and absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
  - (2) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (b) any material breach of any of the representations, warranties or undertakings under the Underwriting Agreement comes to the knowledge of the Underwriter;
- (c) any adverse change in market conditions in Hong Kong or the PRC (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (d) there is any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

- (e) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (f) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not *ejusdem generis* with any of the foregoing; or
- (g) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue.

Upon the giving of notice pursuant the Underwriting Agreement, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter such fees as may then be agreed by the parties hereto. If the Underwriter exercises such right, he Rights Issue will not proceed.

### Changes in the shareholding structure of the Company

Set out below is the shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Rights Issue and the issue of the Bonus Shares under various scenarios:

#### Scenario 1

Assuming no further issue of new Shares on or before the Record Date:

	(i) As at the date of this announcement		(ii) Immediately upon completion of the Rights Issue and issue of Bonus Issue			
	No. of Shares	Approx. %	(a) assuming full acceptance by all Qualifying Shareholders under the Rights Issue		(b) assuming full acceptance by Chi Capital but nil acceptance by other Qualifying Shareholders under the Rights Issue	
			No. of Shares	Approx. %	No. of Shares	Approx. %
Chi Capital ( <i>Note 1</i> )	1,576,891,352	25.22	4,730,674,056	25.22	5,625,674,056	29.99
Subscribers to be procured by Chi Capital and/or any sub-underwriters	—	—	—	—	8,457,595,850	45.08
Other public Shareholders	<u>4,676,297,925</u>	<u>74.78</u>	<u>14,028,893,775</u>	<u>74.78</u>	<u>4,676,297,925</u>	<u>24.93</u>
Total	<u>6,253,189,277</u>	<u>100.00</u>	<u>18,759,567,831</u>	<u>100.00</u>	<u>18,759,567,831</u>	<u>100.00</u>

## Scenario 2

Assuming all the outstanding Share Options are exercised and no other issue of new Shares on or before the Record Date:

	(i) As at the date of this announcement		(ii) Assuming all the outstanding Share Options are exercised before the Record Date		(iii) Immediately upon completion of the Rights Issue and Bonus Issue			
	No. of Shares	Approx %	No. of Shares	Approx %	(a) assuming full acceptance by all Qualifying Shareholders under the Rights Issue		(b) assuming full acceptance by Chi Capital but nil acceptance by other Qualifying Shareholders under the Rights Issue	
					No. of Shares	Approx %	No. of Shares	Approx %
Chi Capital (Note 1)	1,576,891,352	25.22	1,576,891,352	25.18	5,627,674,056	25.18	5,625,674,056	29.94
Subscribers to be procured by Chi Capital and/or any sub-underwriters	—	—	—	—	—	—	8,478,025,674	45.12
Other public Shareholders	<u>4,676,297,925</u>	<u>74.78</u>	<u>4,686,512,837</u>	<u>74.82</u>	<u>14,059,538,511</u>	<u>74.82</u>	<u>4,686,512,837</u>	<u>24.94</u>
Total	<u>6,253,189,277</u>	<u>100.00</u>	<u>6,263,404,189</u>	<u>100.00</u>	<u>18,790,212,567</u>	<u>100.00</u>	<u>18,790,212,567</u>	<u>100.00</u>

### Note:

- These Shares are registered under the name of Chi Capital, the sole shareholder and sole director of which is Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board. Under the SFO, Mr. Wong Chau Chi was deemed to be interested in all the Shares held by Chi Capital. Please refer to the sub-section headed “Information on Chi Capital” below.

The scenarios are for illustrative purpose only. Pursuant to the Underwriting Agreement, the Underwriter undertakes that it shall, and shall cause its sub-underwriters to, procure independent subscribers or purchasers take up such number of Untaken Shares (a) as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with by the Company and (b) such that it, its sub-underwriters and the subscribers or purchasers procured by it and by its sub-underwriter shall not, together with party(ies) acting in concert with each of them, become the controlling shareholder (as defined under the Listing Rules) of the Company upon completion of the Rights Issue.

The Underwriter will, before the despatch of the Circular, enter into sub-underwriting agreements with sub-underwriters, who are Independent Third Parties, as necessary to prevent a breach of the public float requirements under Rule 8.08 of the Listing Rules or becoming a controlling shareholder (as defined under the Listing Rules) of the Company upon completion of the Rights Issue, the details of which will be disclosed in the Circular.

### **Expected timetable for the Rights Issue**

The expected timetable for the Rights Issue is set out below:

Despatch of circular with notice of EGM .....	29 February 2016
Latest date for return of proxy form of the EGM ....	4:00 p.m. on 13 March 2016
Expected time of the EGM .....	4:00 p.m. on 15 March 2016
Announcement of poll results of the EGM .....	15 March 2016
Last day of dealing in Shares on a cum-rights basis .....	16 March 2016
First day of dealing in Shares on an ex-rights basis .....	17 March 2016
Latest time for lodging transfer of Shares in order to qualify for the Rights Issue .....	4:30 p.m. on 18 March 2016
Register of members of the Company closes .....	21 March 2016
Record Date .....	21 March 2016
Register of members of the Company re-opens .....	22 March 2016
Despatch of the Prospectus Documents .....	23 March 2016
First day of dealings in nil-paid Rights Shares .....	9:00 a.m. on 29 March 2016
Latest time for splitting of nil-paid Rights Shares ...	4:30 p.m. on 31 March 2016
Last day of dealings in nil-paid Rights Shares .....	4:00 p.m. on 6 April 2016
Latest time for acceptance of, and payment for the Rights Shares .....	4:00 p.m. on 11 April 2016

Rights Issue expected to become unconditional . . . . .	6:00 p.m. on 12 April 2016
Announcement of results of acceptance of the Rights Issue . . . . .	15 April 2016
Despatch of certificates for fully-paid Rights Shares on or before . . . . .	18 April 2016
Designated broker starts to stand in the market to provide matching services for odd lots of Shares . . . . .	19 April 2016
Commencement of dealings in fully-paid Rights Shares . . . . .	9:00 a.m. on 19 April 2016
Last day for the designated broker to provide matching services for odd lots of Shares . . . . .	10 May 2016

*Notes:*

1. All times in this announcement refer to Hong Kong times.
2. The Company will make further announcement if there is any change to the above timetable. Dates or deadlines specified in this announcement for events in the above timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company. Any changes to the anticipated timetable for the Rights Issue, if required, will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

**Reasons for the Rights Issue and use of proceeds**

The Group is principally engaged in provision of China Mobile Multimedia Broadcasting (“CMMB”) business and printed circuit boards (“PCB”) agency services:

1. CMMB business - Digital broadcasting with advertising or capacity leasing fee:

Through the Company’s subsidiaries, CMMB Vision USA Inc. and Chi Vision USA Corporation, the Group owns a terrestrial TV station network in the United States where the Group engages in broadcasting digital TV and data services free-to-air to the general public in partnership with content providers and receives channel capacity leasing and advertising fees.



2. PCB agency service - Legacy PCB component trading business, which the Group earns agency fee income through buying and selling PCB components.

The intended business model under the satellites services to be provided through the AsiaStar and Silkwave-1 satellites are seamlessly convergent with the Company's existing digital broadcasting model, extending the Company's current business model with greater scope as the Group will have mobile capability to reach each user device directly. Please refer to the announcements of the Company dated 27 October 2015 (the "Announcements") for further information about the AsiaStar and Silkwave-1 satellites.

The AsiaStar or Silkwave-1 satellite represents a digital TV broadcasting platform similar to a terrestrial platform except that it uses an advanced satellite in the sky which is capable of reaching far more mobile audiences on the ground. The system is proprietary, unlike the free-to-air digital broadcasting business in the United States, which means a satellite reception chipset needs to be built into consumer device in order to access the Group's services. As a result, the Group will be able to control viewer access that free-to-air terrestrial digital broadcasting services cannot, and the Company can be more selective in its business models.

The Company has successfully raised money from share placement under its general mandates for meeting the cash flow requirements for its business development of the CMMB and satellite related businesses, such as appointment of professional parties to develop business plan, doing feasibility study and market research and recruitment of expertise to implement the business plan, as well as equipment and devices procurement.

In addition, the Company is also deploying a service trial in major cities in China and Southern East Asia. The trial will validate the existing technology and business models the Company will be engaging in with service partners and this will lead to full commercial service launch, which is expected to take place within 36 months, subject to fulfilment of all regulatory requirements. A successful service trial will also enable the Company to replicate similar deployment in other markets and it expects to eventually launch a full CMMB and satellite broadcasting service with sufficient revenue and cash-flow to support and justify all of the Company's investments. The Company expects to have major capital expenditure for the deployment in China of approximately US\$80 million for its business development efforts in China within the next 36 months in view of the above plan which has not taken into account of the acquisition costs of the AsiaStar and/or Silkwave-1 satellites.

Assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date, the gross proceeds from the Rights Issue are expected to be approximately HK\$625.32 million before expenses. The net proceeds from the Rights Issue after deducting related expenses are estimated to be approximately HK\$623.82 million (equivalent to approximately US\$80 million). The net subscription price per Rights Share is expected to be approximately HK\$0.0998. The proceeds of the Rights Issue will be used in the following manners:

	<i>US\$'million</i>
Outstanding registered capital of GMG-CMMB	14.5
Build-up and enhance broadcasting centre	12.2
Build-up and enhance uplink services centre and acquire teleport equipment	7.7
R&D and business development	<u>45.6</u>
	<u>80</u>

Approximately US\$14.5 million or 18.1% of the net proceeds will be used for the paid-up outstanding registered capital of GMG-CMMB Media Technology Co., Ltd. (“GMG-CMMB”). The Company has entered into an equity transfer agreement to transfer 51% of the equity interest in GMG-CMMB, details of the agreement referred to the announcement of the Company dated 29 January 2016.

1.	Asiastar Uplink center leasing, repair and maintenance	2 million
2.	Satellite Mobile Broadcasting Technical Trial (including Testing Platform Headend, Terminal development and 10K test device, Coverage Test and Covered Media Service Test)	9 million
3.	JV General Working Capital	3.5 million

Approximately US\$12.2 million or 15.3% of the net proceeds will be used for the deployment of the broadcasting network in China.

1.	Multimedia Broadcasting System (including Digital Audio Broadcasting Service System and RichMedia Broadcasting Service System)	6 million
2.	All Media Access, Aggregation and Publication System	2 million
3.	All Media Smart Engine System	2 million
4.	BOSS and Digital Right Management System	2.2 million

Approximately US\$7.7 million or 9.6% of the net proceeds will be used for the deployment of the uplink services centre and acquire teleport equipment in China.

1	Uplink Center for Silkwave-I (including Maintenance Fee)	6 million
2	Transmission System (including Maintenance Fee)	1.7 million

Approximately US\$45.6 million or 57% of the net proceeds will be used for research and development and development of satellite mobile broadcasting services, including the next generation NGBW-LTE convergence network and Business Development and Marketing.

1.	Research & Development in Broadcasting+4G Converged Media Service System (including R&D in Headend System and R&D in CPE (for Vehicles and mobile phone))	13.6 million
2.	Deployment of Converged Media Service Platform (including Media Cloud System Deployment and Media Cloud Access Fee)	32 million

In the event that any Share Options are exercised on or before the Record Date resulting in an increase in the net proceeds from the Rights Issue, our intended uses of proceeds set out above will be increased on a pro-rata basis.

The final terms for the proposed acquisitions of the AsiaStar and Silkwave-1 satellites are still under negotiation. Based on the current state of negotiation between the parties, the consideration for the acquisitions of the satellites is expected to be not less than US\$1 billion. The Company will make further announcements disclosing details including the capital requirements for the acquisitions once agreements have been reached.

The Directors consider that the terms and conditions of the Rights Issue to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional on the Underwriting Agreement having become unconditional and not having been terminated (see the sub-section headed “Termination of the Underwriting Agreement” above). The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” above. It is expected that Shares will be dealt with on an ex-rights basis from 17 March 2016 and Rights Shares will be dealt with in their nil-paid form from 29 March 2016 to 6 April 2016. If the Underwriter exercises such right, the Rights Issue will not proceed.

Any buying or selling of Shares or Rights Shares between the date of this announcement and the date the Rights Issue becomes unconditional is at an investor’s own risk.

## FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Set out below is the fund raising activities of the Company during the past twelve months immediately prior to the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of announcement
29 June 2015	Placing of 730,615,382 new Shares under general mandate granted by the Shareholders at the AGM on 21 May 2015	Approximately HK\$189.9 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> <li>• Administrative and operations: HK\$47.0 million</li> <li>• New business and network development: HK\$97.1 million</li> <li>• Repayment of convertible note of HK\$45.8 million</li> </ul>
7 October 2015	Placing of 60,332,830 new Shares under general mandate granted by the Shareholders at the AGM on 21 May 2015	Approximately HK\$7.2 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> <li>• Administrative and operations: HK\$7.2 million</li> </ul>

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of announcement</b>
21 December 2015	Placing of 757,499,997 new Shares under general mandate granted by the Shareholders at the EGM on 18 December 2015	Approximately HK\$90.9 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> <li>• New business and network development: HK\$30.8 million</li> <li>• Unutilized proceeds held in the Group's bank accounts of HK\$60.1 million</li> </ul>

Save as abovementioned, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the date of this announcement.

## **LISTING RULES IMPLICATIONS**

Chi Capital, being a company wholly-owned by Mr. Wong Chau Chi, is an associate of Mr. Wong Chau Chi under the Listing Rules. Mr. Wong Chau Chi, being a Director, is a connected person of the Company, and hence Chi Capital, being an associate of Mr. Wong Chau Chi, is also a connected person of the Company under the Listing Rules. The Underwriting Agreement constitutes a connected transaction for the Company under the Listing Rules. As Chi Capital subscribes for the Rights Shares in its capacity as an underwriter of the Rights Issue and Rule 7.21 of the Listing Rules has been complied with, the Rights Issue is exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to R14A.92(2)(b) of the Listing Rules.

As the Company has not made arrangements for the Qualifying Shareholders to apply for the Rights Shares in excess of their entitlements under the Rights Issue in accordance with Rule 7.21(1), and that all the Untaken Shares will be underwritten by the Underwriter, Independent Shareholders' approval will be required pursuant to Rule 7.21(2) of the Listing Rules in respect of such arrangement under the Rights Issue.

In addition, as the Rights Issue would increase the issued share capital of the Company by more than 50%, the Rights Issue is made conditional on approval by the Independent Shareholders in accordance with Rule 7.19(6)(a) of the Listing Rules.

## **THE EGM**

The EGM will be convened for the Independent Shareholders to consider, and, if thought fit, to approve, among other things, the Rights Issue and the Underwriting Agreement.

Chi Capital and Mr. Wong Chau Chi and their associates and Shareholders who have a material interest in the Underwriting Agreement and/or the Rights Issue will abstain from voting at the EGM.

## **INFORMATION ON CHI CAPITAL**

Chi Capital is a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Wong Chau Chi, the chief executive officer of the Company, an executive Director and the chairman of the Board. The principal business activity of Chi Capital is investment holdings.

At the date of this announcement, other than approximately 25.22% interests in the issued share capital of the Company and the Convertible Notes, Chi Capital does not hold or has control or direction over any other shares, rights over shares, convertible securities, warrants or options of the Company.

As at the date of this announcement, save for the Underwriting Agreement, there is no arrangement or agreement to which Chi Capital is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Rights Issue (other than those listed under the section headed “Conditions of the Underwriting Agreement”) and/or the Underwriting Agreement.

## **GENERAL**

The Circular containing, among other matters, further details of (i) the Rights Issue and the Underwriting Agreement; and (ii) a notice of the EGM, shall be despatched as soon as practicable.

Upon passing of the necessary resolution by the Independent Shareholders at the EGM approving the Rights Issue and the Underwriting Agreement, the Company will post on the Posting Date copies of the Prospectus Documents to the Qualifying Shareholders and post copies of the Prospectus marked “For information only” together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date.

## DEFINITIONS

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

- “Acceptance Date” : 7 April 2016, being the date on which the Rights Shares are accepted and paid for being a date falling not later than 15 days after the Posting Date (or such other date as the Underwriter and the Company may agree from time to time in writing)
- “Board” : the board of Directors
- “Bonus Share(s)” means the Share(s) to be allotted and issued on the basis of one Share for every one Rights Share taken up under the Rights Issue
- “Business Day” : any day (excluding Saturdays and Sundays) on which banks generally are open for business in Hong Kong
- “CCASS” : the Central Clearing and Settlement System established and operated by HKSCC
- “Chi Capital” : Chi Capital Holdings Limited, a company incorporated under the laws of British Virgin Islands with limited liability, which is wholly owned by Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board, being a substantial Shareholder holding 1,576,891,352 Shares as at the date of this announcement
- “Chi Capital Portion” : up to 895,000,000 Untaken Shares which Chi Capital has agreed to take up
- “Circular” : a circular containing, among other matters, further details of (i) the Rights Issue and the Underwriting Agreement; and (ii) a notice of the EGM to be despatched by the Company
- “Company” : CMMB Vision Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange

“Companies Ordinance”	: the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, with effect from 3 March 2014, as amended and supplemented from time to time
“Companies (WUMP) Ordinance”	: the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong, with effect from 3 March 2014
“connected person(s)”	: has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	: has the meaning ascribed thereto under the Listing Rules
“Convertible Notes”	: Hong Kong dollar denominated convertible notes in the principal amount of US\$33,635,052 issued by the Company to Chi Capital on 22 July 2015
“Director(s)”	: the director(s) of the Company
“EGM”	: the extraordinary general meeting of the Company to consider, and, if thought fit, to approve, among other things, the Rights Issue and the Underwriting Agreement
“Excluded Shareholder(s)”	: those Overseas Shareholders who, in the opinion of the Directors based on enquiry made in compliance with the Listing Rules, are necessary or expedient to be excluded from the Rights Issue on account of the legal restrictions under the laws or requirements of the relevant regulatory body or stock exchange in the places where such Overseas Shareholders reside
“Group”	: the Company and its Subsidiaries
“HK\$”	: Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	: the Hong Kong Special Administrative Region of the PRC
“HKSCC”	: Hong Kong Securities Clearing Company Limited
“Independent Shareholders”	: the Shareholders other than (i) Chi Capital and (ii) those who are involved in or interested in the Rights Issue and/or the Underwriting Agreement



“Independent Third Party/ies”	: third party/ies and their ultimate beneficial owner(s) which is/are independent of the Company and their respective connected persons
“Irrevocable Undertaking”	: means the undertaking granted by Chi Capital in favour of the Company, the terms of which are set out in the sub-section headed “Irrevocable Undertaking from Chi Capital” in this announcement
“Listing Committee”	: has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	: the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	: those persons whose addresses as shown on the register of members of the Company on the Record Date are resident in a place outside Hong Kong
“Posting Date”	: the date on which the dispatch of the Prospectus Documents takes place, which is currently expected to be 29 February 2016
“PRC”	: the People’s Republic of China
“Pre-Listing Share Option Scheme”	: the share options scheme of the Company adopted on 5 July 2005
“Prospectus”	: the prospectus to be dispatched to shareholders of the Company on the Posting Date in connection with the Rights Issue, in a form to be agreed between the Company and the Underwriter
“Prospectus Documents”	: means the Prospectus and the Provisional Allotment Letter
“Provisional Allotment Letter(s)”	: the provisional allotment letter in respect of the Rights Issue to be issued to the Qualifying Shareholders, in such a form to be agreed between the Company and the Underwriter (it being acknowledged that this shall be based on a market standard precedent)
“Qualifying Shareholder(s)”	: the persons shown on the register of members of the Company on the Record Date, other than the Excluded Shareholders as the date by reference to which provisional allotment of Rights Shares will be made

“Record Date”	: 21 March 2016, being the Posting Date (or such other date as the Underwriter and the Company may agree from time to time in writing)
“Rights Issue”	: the proposed offer of the Rights Shares at the Subscription Price on the terms and subject to the conditions to be set out in the Prospectus and the Provisional Allotment Letter and as briefly described in the Announcement
“Rights Shares”	: not less than 6,253,189,277 and not more than 6,263,404,189 new Shares to be issued pursuant to the Rights Issue on the basis of one (1) Rights Share for every one (1) Share in issue on the Record Date;
“Settlement Date”	: 12 April 2016, being the date of the third Business Day following the Acceptance Date
“SFC”	: the Securities and Futures Commission of Hong Kong
“SFO”	: Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Options”	: outstanding share options granted under the Pre-Listing Share Option Scheme
“Share Registrar”	: the branch share registrar of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Share(s)”	: share(s) of HK\$0.10 each in the authorised share capital of the Company
“Shareholder(s)”	: holder(s) of Share(s)
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“Subscription Price”	: HK\$0.1 per Rights Share
“Subsidiaries”	: has the meaning given to the term “subsidiary” in section 15 of the Companies Ordinance
“Underwriter”	: Chi Capital

- “Underwriting Agreement” : the underwriting agreement entered into, inter alia, between the Company and the Underwriter dated 29 January 2016 in relation to the Rights Issue
- “Underwritten Shares” : all the Rights Shares other than the Rights Shares to be subscribed by Chi Capital pursuant to the Irrevocable Undertaking
- “Untaken Shares” : any of the Underwritten Shares in respect of which valid acceptances of provisional allotments, accompanied by remittances for the relevant amounts payable on acceptance or application, have not by then been received either on acceptances of provisional allotments (all of which said applications the Company undertakes with the Underwriter to accept before calling upon the Underwriter to perform its obligations imposed by the Underwriting Agreement provided that they have been submitted in accordance with the terms and conditions set out in the Prospectus Documents)
- “US” : the United States of America
- “US\$” : US dollars, the lawful currency of the US

By the order of the Board of Directors  
**CMMB Vision Holdings Limited**  
**WONG Chau Chi**  
*Chairman*

Hong Kong, 29 January 2016

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. WONG Chau Chi and Dr. Hui LIU; two non-executive Directors, namely Mr. CHOU Tsan-Hsiung and Mr. YANG Yi; and three independent non-executive Directors, namely Mr. WANG Wei-Lin, Mr. Shan LI and Dr. LI Jun.*

*The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement 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.*