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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)**

## **Announcement**

### **Entered Strategic Cooperation Agreement with 7 Vehicle Terminal Suppliers in China**

#### **Promoting Satellite Multimedia to be a Chinese Auto Industry Standard to Achieve Rapid Commercialization**

##### **1. Signing Strategic Cooperation Agreement With Seven Car-Terminal Suppliers**

The Company is pleased to announce that, following the signing of the Strategic Cooperation Framework Agreement with the China Telematics Industry Applications Alliance (“TIAA”) (hereinafter referred to as “FIA” or “TIAA”) as announced by the Company on Nov 10 recently, the Company’s China joint-venture Global Vision, which was formed between the Company and State-media in China, has further entered into a series of strategic cooperation agreements with seven leading supply-chain providers respectively for developing, manufacturing, testing, and installing of in-vehicle mobile terminal electronic devices and equipment (or “car-mount devices) that will carries Company’s mobile multimedia services. Pursuant to the agreements, parties will jointly promote and develop the NGB-W/S-based new-generation digital mobile multimedia services based on Company’s L-band satellite platform. Joint efforts will include R&D, manufacturing, and testing of the relevant multimedia capabilities and chipsets and implanting them into existing car-mount devices to be installed into pre-factory vehicles and become a standard feature for new cars, which in turn will be bundled with car-sale to reach the mass markets, thereby allowing the Company to quickly proliferate its services in scale and scope and generate revenue.

## **2. Partners Accounting For More Than Half of China’s Domestic Car Sale**

The company’s seven partners are:

- 1) Huizhou Desai Xiwei Automotive Electronics Co., Ltd. ([www.desaysv.com](http://www.desaysv.com))
- 2) Datang Instrument Technology Co., Ltd. ([www.dmlinktester.com](http://www.dmlinktester.com))
- 3) Shenzhen Hang Sheng Electronics Co., Ltd. ([Www.hangsheng.com.cn](http://Www.hangsheng.com.cn))
- 4) Yixin-Jiangsu Science and Technology Co., Ltd.
- 5) Xiamen Yaxun Network Co., Ltd. ([m.yaxon.com](http://m.yaxon.com))
- 6) Shanghai Botai Yueqin Electronic Equipment Mfg. Co., Ltd. ([www.pateo.com.cn](http://www.pateo.com.cn))
- 7) China TSP (Yuante) Co., Ltd ([www.chinatsp.com](http://www.chinatsp.com))

Collectively they represent the complete supply-chain for R&D, manufacturing, testing, installation, and sale of car-mount applications and terminal devices and they account for more than half of the domestic brands sold in China every year. China produces close to 30 million cars a year and more than half of them are domestic brands. The cooperation represents a quick, direct, systematic, and low-cost way for Company to push its products and services into China’s massive domestic auto market and be a first-mover to control the gateway for future connected-car services, which will allow the Company to drive in-car consumption for media entertainment and information and propel Company to become China’s largest automotive media service provider and advertiser one day.

China’s domestic brand car manufacturers include: Chery Automobile, JAC Motor, Geely Auto, Great Wall Motor, Changan Automobile, Dongfeng Automobile, SAIC, Beijing Automotive Work (BAW), Guangzhou Automobile, Zhongfeng Automobile, Zhongtai Automobile, Lifan Automobile, Landwind Auto, Hafei Automobile, BYD Auto, Brilliance Auto Group, China First Automobile Group (FAW), HBSH Auto, Sino Truk, BYD, and Brilliance China, etc.

### **3. Promoting TM-Box As In-Car Standard Accessible by All WiFi-based Mobile Devices**

The company is working with the domestic industry partners to lead the development of vehicle-oriented “Internet+” (satellite broadcast + cellular communication) converged multimedia service product called TM-Box, which is a chipset embedding satellite multimedia and convergent network capabilities to be integrated into existing car-mount devices to provide digital audio, video, and data audio services. TM-Box functions like a mobile receiver and server. It receives signals from the satellite and re-transmits to all mobile devices that has Wi-Fi function, thereby allowing every user to instantly access services. Services will include hundreds of channels of direct TV and radio broadcast, on-demand videos, web content downloads, navigation and precision-positioning, location-based advertising and e-Commerce, which will have no data charges, data limits, network congestion, and is instant and seamless anywhere whether in dense urban areas or remote locations without geographical limitations. Our service is most effective in distributing mass-market media and data content and drive new-generation in-car entertainment and information consumption. The cooperation between the Company and the car-mount suppliers allows Company’s TM-Box to be installed in pre-factory cars and proliferate in the auto market so as to hone in customer franchise quickly.

### **4. TM-Box Solving Urgent Needs Of Connected-Car Services And Breaking Mobile Bottlenecks**

China is the world’s largest auto market with over 200 million vehicles today reaching over 400 million within a decade and annual sale is approaching 30 million. It is therefore also fast becoming the world’s largest connected-car market, with demand for in-car services skyrocketing. In addition, the surge of electric cars and auto-driving cars will mean more and more room for drivers and passengers in the car to enjoy leisurely services, thus turning vehicles into biggest personal mobile consumption platforms. However, China currently only has basic regional radio service in analog format (non-digital). Connected-car services have so far mainly evolved around basic vehicle data security, road emergency services, and there are no scalable commercial mobile multimedia service available. In addition, the existing connected-car network is cellular-based and subject to costly mobile data usage and limited geographical coverage. With almost 30 million new cars coming to market every year and 900 million mobile users already in place, the yearn for in-car digital multimedia services is exploding. The company’s TM-Box tailors to the auto market and its massive needs for high-quality media entertainment and data services while breaking the various conventional bottlenecks.

## **5. Collaborating To Get Through Rigorous Auto Standard Testing And Validation Process**

The company's strategy is to leverage its partnership to implant satellite multimedia function into the vehicles to become an industry standard adoptable by all car-makers in China. To become the auto industry standard, the product and technology has to go through highly rigorous and lengthy testing and validation process as well as real-time road-testing, such as travelling in-car for more than 60,000 km and resisting temperature differential from -40 Degrees to +85 degrees. Under the efforts of the Ministry of Industry and Information Technology and TIAA, the Company has drawn a wide range of industry support for its TM-Box, particularly from the major car-mount device suppliers, who would jointly develop, promote, and go through the testing process and render TM-Box as an industry standard. Such collaboration will vastly shorten Company's development-to-market cycle and bring about commercial service operation quickly.

## **6. Commercializing in China First Then Asia One-Belt-One-Road Via Existing Platform**

The Company possesses advanced technology dedicated to connected-car multimedia and a sprawling L-band satellite network covering the whole Asia from China to the South China Sea, Southeast Asia, Indonesia, India, Pakistan and 4.4 billion in population. It is collaborating with various ministries and industry partners in China to standardize and commercialize its technology and product for the Chinese auto industry, doing so it will also empower Chinese-made cars exported regionally to seamlessly enjoy the same unique multimedia services over the Asia One-Belt-One-Road countries. Such a feat has a great deal of meaning to promoting China's media culture as well as enhancing competitiveness of Chinese-made vehicles globally, thereby paving for the Company to bring in revenues from diverse international markets.

## **7. Founding Team Of Sirius XM Offering Valuable Technical Support**

Currently in the world only the US has vehicle-based satellite digital radio commercial services, which have been successfully operated by Sirius XM ([www.siriusxm.com](http://www.siriusxm.com)). Over 70% of the cars sold in the US market today is equipped with pre-installed satellite digital radio service function. Sirius XM is the sole operator of the satellite radio services, offering only audio broadcasting services with 30 million paying customers and a market capitalization of USD 22 billion. It is one of the most valuable companies in the US. The principal founders of Sirius XM are also the founders of the Company's "AsiaStar" satellite platform as well as major shareholders and strategic partners to the Company, providing valuable experience and technical support to accelerate Company's growth. They have helped the

Company equip with more advanced technology capable of offering not just digital audio, but also video, data, Internet content services to meet the diverse needs of the new-generation auto users and passengers. They also helped create a vast satellite delivery platform for Company to proliferate services far beyond China and become a global company. The Company is planning within China's 13th Five-Year Plan period (the next five years) to achieve the level of business and revenue as Sirius XM.

## **8. Deploying Nationwide Trial Network and Launching Concept-Car in 2017 Shanghai International Auto Expo**

The company is under planning with device partners and automotive manufacturers to deploy a nationwide comprehensive trial network in 2017 and pave the way for commercial deployment in 2018. The trial will fully incorporate various intelligent applications for traffic safety and transportation as required by the national Government to be demonstrated with Chinese-made passenger cars and commercial vehicles. The trial is planned for to begin in Q1 of 2017 in five designated cities and auto zones such as Changchun, Chongqing, Wuha, as well as Tibet-Sichuan Highway and Moscow-Beijing Intelligent Pathways, where the Company will have multiple vehicles installed with its technology and products as well as streaming live video-audio programming service as part of the trial. In addition, the Company has also been invited by key auto-makers to participate in the 2017 Shanghai International Auto Exhibition in 2Q and launch a "Concept-Car" for demonstration. The Company will update shareholders for any significant development as soon as practicable.

## **9. Background of Partners**

### **1) Huizhou Desai Xiwei Automotive Electronics Co., Ltd. ([www.desaysv.com](http://www.desaysv.com))**

Desai Xiwei is the world's leading automobile manufacturer and one of China's largest automotive electronics designer supporting customers from China, Europe, United States, Japan, Korea, and covering auto brands from large to medium-sized OEM-auto including Volkswagen, GM, Mazda, etc. Its products include in-vehicle infotainment system, vehicle integrated instrument, electronic control unit, in-car display system, and advanced auxiliary driving assistance system (ADAS) which are widely adopted by passenger car, commercial vehicle, engineering machinery and so on.

**2) Datang Instrument Technology Co., Ltd. ([www.dmlinktester.com](http://www.dmlinktester.com))**

Datang is a company established under the laws of the People's Republic of China and subsidiary of Datang Telecom Technology Industry Group. Datang is committed to providing electronic measurement products, solutions and services. It is an enterprise using the touting the principle of "Create Value for Customers" to steer product development. It has a strong software, hardware, RF, standards and other research and development capabilities, advanced product design concepts, research and development environment, as well as ample practical experience in the industry. It not only creates cost-effective products to reduce the total cost of customer testing, but also deploys rapid response process for customer service to help customers shorten product-to-market cycle and successfully capture market.

**3) Shenzhen Hang Sheng Electronics Co., Ltd. ([www.hangsheng.com.cn](http://www.hangsheng.com.cn))**

Hang Sheng Electronics is a high-tech enterprise which integrates R&D, manufacturing, marketing and after-sale service into one product line dedicated for the development and production of intelligent vehicle network information system, intelligent driving assistance system, and new energy vehicle control system. The company has been committed to the core technology of automotive electronics products, established long-term friendly and stable relations with many domestic car manufacturers. Hang Sheng products have entered the global procurement system as a preferred-partner by well-known international auto-suppliers, providing intelligence enterprises networking information systems, intelligent driving support system, new energy vehicle control system, as well as total solution as core capabilities for a variety of vehicles.

**4) Jiangsu Yixin Science and Technology Co., Ltd.**

Jiangsu Yixin focuses on big-data collection and processing for connected-cars. Drawing on expertise in mobile Internet, Internet-of-Things, cloud technology, communication information network technology, as well as satellite positioning technology, the company engages in development and operation of vehicle big-data system platform, artificial seating services, online in-car information management services, Operator-to-Operator e-Commerce, telematics equipment and terminal research, development, manufacturing and sales.

**5) Xiamen Yaxun Network Co., Ltd. (m.yaxon.com)**

Yaxun Network is committed to the automotive safety networking and the Beidou (China GPS) technology research, development, and application supply. In the field of automotive safety network, the company has become the main supplier for domestic OEM auto-makers such as Dongfeng, Sino Truk, Futian, JAC, FAW, Xiamen Kinglong and other mainstream domestic OEM car-makers. For Beidou related applications, the company cooperates with more than 400 partners, such as China Mobile and China Aerospace Science and Technology. Its business covers taxi, bus, two passengers, public transport, and commercial vehicles, government vehicles, etc.

**6) Shanghai Botai Yueqin Electronic Equipment Manufacturing Co., Ltd. (www.pateo.com.cn)**

Shanghai Botai was established in 2009 and is one of the earliest connected-car enterprises. It is also one of the few that can provide total in-car networking solutions. Embracing a “Satisfaction-Wisdom-Quality” moto the company reigns in networking products and services with unique core competitiveness.

**7) China STP Co., Ltd (Yuante). (www.chinatsp.com)**

China STP is one of the earliest and largest connected-car, automotive information, auto intelligence products, and services suppliers. Over the years it has focused on total vehicle system intelligent applications, mobile technology and cloud services interactive solutions, car lifestyle O2O service ecosystem development and technical research, product development, and service offering, and providing connected-car terminal devices and intelligent telematics services to many well-known automotive companies in China.

**10. Background of Global Vision**

Since 2003, China has maintained a rapid increase in car ownership, China now has more than 200 million vehicles and is expected to grow within ten years to more than 400 million vehicles and soon become the world’s largest connected-car market. Yet China’s current in-car radio is still in the regional and analog-based, and there are no digital audio and video services and large-scale commercial mobile multimedia services. The existing connected-car network is cellular-based and subject to costly mobile Internet traffic, which mainly evolves basic vehicle data security, emergency services and other road side traffic business. With the increase of 30 million new cars per year and the 900 million mobile users already there, China’s demand for diverse and high-quality in-car digital multimedia services is beginning to explode.

Global Vision is born of the above historical opportunities. The company was established in January 2016 as a joint-venture between China's state-media GMG of China Radio International and CMMB Vision dedicated to the development and operation of new-generation satellite-based mobile multimedia services in China. Drawing from competence and resources of both sides such as media operating qualification and business platform in China as well as a unique satellite infrastructure, Global Vision pulls together the "Internet +" (satellite broadcast + cellular) convergent mobile multimedia delivery platform to focus on vehicle, ship, and government enterprises, mobile and home users with digital audio, video and Internet data services of the modern digital era.

Global Vision is also one of the principal members for developing China's NGB-W/S technology standard. The standard is to abridge media, cellular, and Internet services across all delivery platforms and end users via the "Internet+" satellite network. The project has been designated as one of the key national priority development under China National Development and Reform Commission.

Through the "Internet+" satellite platform, users can enjoy 200+ digital audio broadcasting and 10+ video services in the car in the future. At the same time, by enabling Wi-Fi function in the car, users can simply use a mobile APP to download services directly with no data charges, data limits, and network congestion, hence breaking the bottlenecks plaguing the conventional cellular network.

Global Vision is building a dedicated satellite-based digital multimedia broadcasting ecosystem and has entered a strategic partnership with China's Telematics Industry Applications Alliance (TIAA), mainstream developers, manufacturers, and suppliers for various electronic auto products. It is leading China's automotive telematics industry toward a digital multimedia revolution while becoming the first-mover to control the gateway into future in-car media entertainment and Internet service portal.

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

Hong Kong, 12 December 2016

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. WONG Chau Chi and Dr. LIU Hui; 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. LI Shan and Dr. LI Jun.*