

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CNC HOLDINGS LIMITED

中國新華電視控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 8356)

VOLUNTARY ANNOUNCEMENT

STRATEGIC COOPERATION AGREEMENT REGARDING THE COOPERATION WITH GUANGXI TELEVISION

This announcement is made by CNC Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business development of the Company.

THE STRATEGIC COOPERATION AGREEMENT

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that, on 27 September 2016, the Company entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with Guangxi Television*廣西電視台 (the “**Cooperation Partner**”), pursuant to which the Company and the Cooperation Partner established a cooperation partner relationship to jointly develop the television business, including the provision of airtime resources of their respective broadcasting channels, the international promotion of Guangxi and the joint production of television programmes etc., so as to further develop the television broadcasting business of the Group and expand the revenue of the Group.

Date of the Strategic Cooperation Agreement

27 September 2016

Parties to the Strategic Cooperation Agreement

- (a) the Company; and
- (b) the Cooperation Partner, Guangxi Television*廣西電視台.

The Directors confirmed that to the best of their knowledge, information and belief having made all reasonable enquiries, the Cooperation Partner is a third party independent of the Company and the connected persons (as defined under The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”)) of the Company.

Principal terms of the Strategic Cooperation Agreement

The principal terms of the Strategic Cooperation Agreement includes:

- The Company and the Cooperation Partner will establish a cooperation partner relationship so as to leverage on the resources, brands and advantages of both parties to cooperate in a wide range of comprehensive business development;
- The Company will provide the airtime resources of China Xinhua News Network Channel and China Xinhua News Network World Channel which are controlled by the Group to broadcast the high quality television programmes and television features provided by the Cooperation Partner, including television feature “Guangxi Stories”, so as to promote Guangxi to the world;
- The Cooperation Partner will provide the airtime resources of the television channels controlled by the Cooperation Partner, including the Guangxi Satellite Television*(廣西衛視) and the terrestrial television channels (地面電視頻道) controlled by Guangxi Television*, to broadcast the high quality television programmes and television features provided by the Company in Guangxi and other regions of the People’s Republic of China (the “**PRC**”);
- The Company will promote the television feature “Guangxi Stories” in various new media platforms and will assist the Cooperation Partner in promotion of Guangxi, including promotion at designated locations, promotion of television programmes exhibition weeks (電視展播周) and organisation of offline events etc.;
- The Company and the Cooperation Partner will cooperate in the planning and production of television programmes and will jointly provide supports for the production of television programmes, promotion of offline events and development of related products. The parties will share the operating profit arising from the joint planning and production of television programmes; and
- The Company and the Cooperation Partner will enter into further agreement(s) to materialise the cooperation plan under the Strategic Cooperation Agreement as well as to set out the specific terms, including the details of the cooperation and the profit sharing of the operating profit arising from the cooperation.

INFORMATION ON THE COOPERATION PARTNER

The Cooperation Partner is a provincial television channel in Guangxi Province of the PRC which was formally launched in 1970. Leverage on its unique geographical advantages and the strategies of providing services for the nation, the Cooperation Partner has become a well-developed modern media and one of the most competitive provincial television channels in the PRC. It provides high quality television programmes for the audiences in various regions of the PRC where Guangxi Television* has covered.

REASONS AND BENEFITS OF THE STRATEGIC COOPERATION AGREEMENT

The Group is principally engaged in the provision of waterworks engineering services for the public sector in Hong Kong, television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue and large outdoor display screen advertising business in PRC. The Company endeavours to enhance the competitiveness of the Group's existing business and at the same time, explore new business opportunities to broaden its source of income and expand the business operations in order to maximize profit and return for the Company and the shareholders of the Company. The Board believes that the Strategic Cooperation Agreement would allow the Group to broadcast the self-produced television programmes in the established platform of Guangxi Television* in the area of Guangxi and other regions of the PRC and further enhance the brand recognition and influence of the Group in the television media industry. By leveraging on the strength, resources and expertise of both parties to cooperate in the joint production of television programmes and other aspects of television related businesses, it would facilitate the expansion of the television broadcasting business of the Group into various media platforms to increase the revenue of the Group.

In view of the above, the Board is of the view that the terms and conditions of the Strategic Cooperation Agreement are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

** For identification purpose only*

By order of the Board
CNC Holdings Limited
Li Yuet Tai
Company Secretary

Hong Kong, 29 September 2016

As at the date of this announcement, the Directors are Mr. Zhang Hao¹ (Chairman), Mr. Zou Chen Dong¹ (Vice Chairman and Chief Executive Officer), Mr. Kan Kwok Cheung¹, Mr. Chia Kar Hin, Eric John¹, Dr. Li Yong Sheng², The Hon. Ip Kwok Him, GBS, JP³, Mr. Wan Chi Keung, Aaron, BBS, JP³, Mr. Jin Hai Tao³ and Mr. Wong Chung Yip, Kenneth³.

¹ *Executive Director*

² *Non-executive Director*

³ *Independent non-executive Director*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the date of its posting and the Company’s website at www.cnctv.hk.