
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in CMMB Vision Holdings Limited (“the Company”), you should at once hand Prospectus Documents to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, having attached hereto the written consent referred to under the section headed “Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the these documents.

Subject to the granting 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 and 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 their respective commencement dates of dealings on the Stock Exchange or such other date as may be 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.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, 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 Prospectus.

The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, (the “U.S. Securities Act”) or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the rights issue or any securities described herein in the United States or to conduct a public offering of securities in the United States.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this Prospectus comes should inform themselves of and observe any such restrictions. This Prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Rights Shares in their nil-paid or fully-paid form or to take up any entitlements to the Rights Shares in their nil-paid or fully-paid form in any jurisdiction in which such an offer or solicitation is unlawful.



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)

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 WITH ONE BONUS SHARE FOR EVERY ONE RIGHTS SHARE TAKEN UP UNDER THE RIGHTS ISSUE AND CHANGE IN BOARD LOT SIZE

Underwriter

Chi Capital Holdings Ltd

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Monday, 11 April 2016. The procedures for application of Rights Shares are set out in the paragraph headed “Procedures for application and payment for the rights shares” on pages 13 to 15 of this prospectus.

The Rights Issue is conditional on the Underwriting Agreement having become unconditional and not having been terminated. The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” in the letter from the Board. **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 grounds of termination as set out in the sub-section headed “Letter from the Board — Termination of the Underwriting Agreement” in this Prospectus happens. If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed.** Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Taking into account the Bonus Shares, each Qualifying Shareholder who fully accepts his/her/its entitlement to the Rights Issue will be issued two Shares per one existing Share held by such Qualifying Shareholder on the Record Date.

The Shares have been dealt with on an ex-rights basis from 17 March 2016. The Rights Shares will be dealt with in their nil-paid form from 29 March 2016 to 6 April 2016. Any person dealing in Shares or Rights Shares between the date of this Prospectus and the date the Rights Issue becomes unconditional will bear the risk that the Rights Issue may not become unconditional and may not proceed. Any dealings in the Shares during the period from the date hereof to the date on which all the conditions to which the Rights Issue is subject are fulfilled, which is currently expected to be 6:00 p.m., Tuesday, 12 April 2016, will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

23 March 2016

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DEFINITIONS

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

- “Acceptance Date” : 11 April 2016, being the latest date on which the Rights shares are accepted and paid for, which is 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)
- “Announcement” : the announcement of the Company dated 29 January 2016, among other things, the Rights Issue, the Bonus Shares and the Underwriting Agreement
- “Board” : the board of Directors
- “Bonus Share(s)” : means the Share(s) to be allotted and issued on the basis of one (1) Bonus Share for every one (1) 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 Ltd, 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 Latest Practicable Date
- “Chi Capital Portion” : up to 447,500,000 Untaken Shares which Chi Capital has agreed to take up
- “Chi Sub-underwriters” : Mega Wealth Group Ltd and four other independent third parties, as sub-underwriters in the Rights Issue pursuant to the Chi Sub-underwriting Letters
- “Chi Sub-underwriting Letters” : sub-underwriting letters entered into by and between the Company, Chi Capital and each of the Chi Sub-underwriters respectively
- “Circular” : the circular of the Company dated 29 February 2016 relating to, among other things, the Rights Issue, the Bonus Shares and the Underwriting Agreement

DEFINITIONS

“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 held on 15 March 2016 to consider, and, if thought fit, to approve, among other things, the Rights Issue, the Bonus 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

DEFINITIONS

“Independent Shareholders”	: the Shareholders other than (i) Chi Capital and (ii) those who are involved in or interested in the Rights Issue and 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 “Letter from the Board — Irrevocable Undertaking from Chi Capital” in this Prospectus
“Latest Practicable Date”	: 18 March 2016, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained in this Prospectus
“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 23 March 2016
“PRC”	: the People’s Republic of China
“Pre-Listing Share Option Scheme”	: the share option scheme of the Company adopted on 5 July 2005
“Prospectus”	: this prospectus
“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

DEFINITIONS

“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 offer of the Rights Shares at the Subscription Price on the terms and subject to the conditions as set out in this Prospectus and the Provisional Allotment Letter
“Rights Shares”	: 6,253,189,277 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 being 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 with details as disclosed in note 17 of the 2015 Interim Report
“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

DEFINITIONS

- “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 dollar, the lawful currency of US
- “%” : per cent

TERMINATION OF 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 as the latest time when the Underwriter may terminate the Underwriting Agreement, 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

TERMINATION OF THE UNDERWRITING AGREEMENT

- (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 to 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. If the Underwriter exercises such right, the Rights Issue will not proceed.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the change in board lot size of the Shares is set out below:

First day of dealings in nil-paid Rights Shares in board lots of 20,000 Shares each	: 9:00 a.m. on 29 March 2016
Latest time for splitting of nil-paid Rights Shares in board lots of 20,000 Shares each	: 4:30 p.m. on 31 March 2016
Last day of dealings in nil-paid Rights Shares in board lots of 20,000 Shares each	: 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
Last day of trading of Shares in board lots of 20,000 Shares each in the original counter	: 14 April 2016
Designated broker starts to stand in the market to provide for odd lots of Shares	: 9:00 a.m. on 15 April 2016
First day for free exchange of existing share certificates in board lots of 20,000 Shares each for new shares certificates in board lots of 40,000 Shares each	: 15 April 2016
Announcement of results of acceptance of the Rights Issue	: 15 April 2016
Effective date of change of board lot size from 20,000 to 40,000 Shares each	: 15 April 2016
Despatch of certificates for fully-paid Rights Shares on or before and return of cheques	: 18 April 2016
Commencement of dealings in fully-paid Rights Shares in board lots of 40,000 Shares each	: 9:00 a.m. on 19 April 2016
Last day for the designated broker to provide matching services for odd lots of Shares	: 4:00 p.m. on 10 May 2016
Last day for free exchange of existing share certificates in board lots of 20,000 Shares each for new share certificates in board lots of 40,000 Shares each	: 12 May 2016

Notes:

1. All times in this Prospectus 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 Prospectus 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.

LETTER FROM THE BOARD



CMMB
VISION

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)

Executive Director:

Mr. WONG Chau Chi
Dr. LIU Hui

Non-executive Directors:

Mr. YANG Yi
Mr. CHOU Tsan-Hsiung

Independent non-executive Directors:

Mr. WANG Wei-Lin
Mr. LI Shan
Dr. LI Jun

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of business
in Hong Kong:*

Unit 1211, Level 12, Core F
Cyberport 3
100 Cyberport Road,
Cyberport
Hong Kong

23 March 2016

*To the Qualifying Shareholders and,
for information purposes only, to the Excluded Shareholders*

Dear Sir or Madam,

**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
WITH ONE BONUS SHARE FOR EVERY ONE RIGHTS SHARE
TAKEN UP UNDER THE RIGHTS ISSUE
AND
CHANGE IN BOARD LOT SIZE**

INTRODUCTION

Reference is made to the Announcement and the Circular in relation to, among other things, the Rights Issue, the Bonus Shares and the proposed change in board lot size.

LETTER FROM THE BOARD

As mentioned in the Announcement, subject to the satisfaction of certain conditions, the Company proposed to raise approximately HK\$625.32 million before expenses by way of issue of 6,253,189,277 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\$618.47 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. All the relevant resolutions approving, among other things, the Rights Issue and the Bonus Shares, were duly passed by way of poll at the EGM held on 15 March 2016. Pursuant to the Listing Rules, Chi Capital and Mr. Wong Chau Chi (a substantial shareholder holding in aggregate of 1,576,891,352 Shares, representing approximately 25.22% of the existing issued Share), Mega Wealth Group Limited (one of the Chi Sub-underwriters holding 50,000,000 Shares, representing approximately 0.8% of the existing issued Shares) and their respective associates were required to abstain from voting, and have abstained from voting, at the EGM in respect of the Resolutions. Save as disclosed above, no Shareholder was required under the Listing Rules to abstain from voting at the EGM.

The Shares are currently traded in board lots of 20,000 Shares each. The Board proposes to change the board lot size for trading in the Shares on the Stock Exchange from 20,000 Shares to 40,000 Shares.

The purpose of this Prospectus is to give you further details of (i) the Rights Issue, the Bonus Shares and the Underwriting Agreement, including procedures for the acceptance of and payment for the Rights Shares and certain financial information and other information in respect of the Company; and (ii) change of board lot size.

RIGHTS ISSUE WITH THE BONUS SHARES

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 Latest Practicable Date	: 6,253,189,277 Shares

LETTER FROM THE BOARD

Number of Rights Shares	:	6,253,189,277 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
Number of Bonus Shares	:	6,253,189,277 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
Enlarged issued share capital upon completion of the Rights Issue and the Bonus Shares	:	18,759,567,831 Shares

As at the Latest Practicable Date, 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 (details as disclosed in note 17 of the 2015 Interim Report); 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. The Convertible Notes comprise two portions, with a conversion price of HK\$0.1 per Share for one portion (“CN1”) and a conversion price of HK\$0.473 for the other portion (“CN2”). The total number of new Shares which may be issued pursuant to CN1 and CN2 is 2,285,751,374 Shares, comprising 2,198,800,000 Shares from CN1 and 86,951,374 Shares from CN2.

Chi Capital has irrevocably undertaken to the Company that it shall not convert the whole or any part of the Convertible Notes into Shares at any time prior to the completion of the Rights Issue. As a result of the Rights Issue, there are no adjustments on the number of conversion shares or conversion price of CN1 as pursuant to the terms of the Convertible Notes, the conversion price of HK\$0.1 of CN1 cannot be adjusted downwards to below HK\$0.1 which is the par value of a Share. The Rights Issue will give rise to an adjustment to the conversion price of CN2 pursuant to the terms of the Convertible Notes. Upon the completion of the Rights Issue and the issue of the Bonus Shares, the conversion price of CN2 will be adjusted which will be further announced by the Company.

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 the 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.

LETTER FROM THE BOARD

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.

A Shareholder will acquire two new Shares for HK\$0.1 in respect of each Share held on the Record Date, indicating an effective subscription price of HK\$0.05 per new Share (the “**Effective Subscription Price**”). The Effective Subscription Price represents a discount of approximately 27.5% to the closing price of HK\$0.069 per Share as at the Latest Practicable Date.

The Company currently has no intention or plan to conduct any share consolidation as the Company considers that the recent drop in share price of the Company is only a short term market fluctuation and may be recovered in the remaining period of the year. When the Company’s share price approaches the extremities of HK\$0.01, the Stock Exchange reserves the right to require the Company either to change the trading method or to proceed with a share consolidation under Rules 13.64 of the Listing Rules. The Stock Exchange may also not consider the approval of subsequent issue of shares if the share price is close to such extremities.

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 Shares and market conditions before the announcement of the Rights Issue. It is equal to the par value 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 and the structure of the Rights Issue and the Bonus Shares 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.

LETTER FROM THE BOARD

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, if any, 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. According to the register of members of the Company as at the Latest Practicable Date, there were a total of twelve Overseas Shareholders whose registered addresses were located in the PRC, Taiwan, the US and the British Virgin Islands. Having made enquiries regarding the feasibility of extending the Rights Issue and the Bonus Share to the Overseas Shareholders in compliance with Rule 13.36(2) of the Listing Rules and based on the relevant legal opinions provided by legal advisers, the Company considered it is not necessary to exclude such Overseas Shareholders from the Rights Issue and the Bonus Shares, except for the Overseas Shareholders whose address were located in the US.

It is the responsibility of any person (including but without limitation to nominee, custodian, agent and trustee) receiving a copy of this prospectus or the Provisional Allotment Letter or the Excess Application Form outside Hong Kong and wishing to take up the Rights Shares or make an application for excess Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including the obtaining of any governmental or other consents for observing any other formalities which may be required in such territory or jurisdiction, and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Any acceptance by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been complied with. If you are in any doubt as to your position, you should consult your professional adviser. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, to be sold as soon as practicable after dealings in nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of HK\$100 or more will be paid pro rata (but rounded down to the nearest cent) to the relevant Excluded Shareholders in Hong Kong dollars. The Company will retain individual amounts of less than HK\$100 for its own benefit.

PROCEDURES FOR APPLICATION AND PAYMENT FOR THE RIGHTS SHARES

Qualifying Shareholders will find enclosed with this Prospectus a Provisional Allotment Letter which entitles them to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the Provisional Allotment Letter, they must lodge the Provisional Allotment Letter in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Share Registrar by no later than 4:00 p.m. on 11 April 2016. All remittances must be made by cheque or cashier’s order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**CMMB Vision Holdings Limited — Rights Issue Account**” and crossed “**Account Payee Only**”.

LETTER FROM THE BOARD

It should be noted that unless the duly completed Provisional Allotment Letter, together with the appropriate remittance, has been received by the Share Registrar by 4:00 p.m. on 11 April 2016, whether by the original allottee or any person to whom the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the Provisional Allotment Letters or to transfer their rights to more than one person, the original Provisional Allotment Letters must be surrendered and lodged for cancellation by no later than 4:30 p.m. on 31 March 2016 with the Share Registrar who will cancel the original Provisional Allotment Letters and issue new Provisional Allotment Letters in the denominations required, which will be available for collection at the Share Registrar after 9:00 a.m. on the second Business Day after the surrender of the original Provisional Allotment Letters.

The Provisional Allotment Letter contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and cashier's orders accompanying completed Provisional Allotment Letters will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the Provisional Allotment Letter will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions other than Hong Kong in connection with the Provisional Allotment Letter and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. Completion and return of the Provisional Allotment Letter with a cheque or a cashier's order in payment for the Rights Shares, whether by a Qualifying Shareholder or by any nominated transferee, will constitute a warranty by the subscriber that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any Provisional Allotment Letter in respect of which the accompanying cheque and/ or cashier's order is dishonoured on first presentation, and, in such event, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

No action has been taken to obtain permission of the offering of the Rights Shares or the distribution of the Prospectus Documents in any jurisdiction other than Hong Kong. Accordingly, no person receiving a copy of the Prospectus Documents in any jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant jurisdictions, such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements. It is the responsibility of anyone outside Hong Kong wishing to make on his/its behalf an application for the Rights Shares to satisfy himself/itself as to the observance of the laws and regulations of all relevant jurisdiction, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the Provisional Allotment Letter by anyone outside Hong Kong will constitute a warranty and representation to the Company that all these local registration, legal and regulatory requirements of such relevant jurisdictions other than Hong Kong in connection with the Provisional Allotment Letter and any acceptance of it, have been, or will be, duly complied with. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that in doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. No application for the Rights Shares will be accepted from any person who is an Excluded Shareholder.

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No receipt will be given in respect of any application monies received.

If the Underwriter exercises the rights to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the nil-paid Rights Shares shall have been validly transferred, or in case of joint acceptances, to the first-named person, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk as soon as practicable thereafter.

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 administrative effort and costs to administer the excess Rights Shares application procedures. Additional costs will be involved in producing the excess application forms which may lead to printing and dispatch costs. Additional processing by the registrar may also involve an increase in fees. The estimated costs for excess application are approximately HK\$200,000. Given the discount of the Effective Subscription Price to the prevailing market price of the Shares, the Board expects that the Rights Issue would have a relatively high level of acceptance, hence the amount of excess Rights Shares is not expected to be significant. 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 listings

The Company has applied to the Listing Committee for the listings 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 will be traded in board lots of 20,000 each. The fully-paid Rights Shares and the Bonus Shares shall have the same board lot size as the Shares with effect from 15 April 2016, i.e. 40,000 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.

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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 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” below.

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

Chi Capital, which was interested in 1,576,891,352 Shares as at the Latest Practicable Date 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;

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- (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 Day after the Acceptance Date; and
- (e) Chi Capital shall not convert the whole or 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.

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 and severally 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 447,500,000 Untaken Shares, equivalent to HK\$44,750,000 (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.

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Fees, commission and expenses: In consideration of two of the Sub-underwriters providing underwriting services under the Chi Sub-underwriting Letters to the Company in relation to the Rights Issue, and subject to the due performance by these two Sub-underwriters of their obligations under the Chi Sub-underwriting Letters, irrespective of whether or these two Sub-underwriters are called upon to subscribe or procure subscribers for any of the Underwritten Shares, the Company shall pay to HK\$5,400,000, an aggregate underwriting commission at the rate of 3% of the aggregate Subscription Price of these two Sub-underwriters' commitment, being 1,800,000,000 Rights Shares. Chi Capital and the other Sub-underwriters 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).

These two Sub-underwriters may deduct the full amount of the underwriting commission payable pursuant to the Chi Sub-underwriting Letters from the amount of any subscription moneys payable by it pursuant to the Chi Sub-underwriting Letters or, in the event of these two Sub-underwriters not being called upon to subscribe or procure subscribers pursuant to the Chi Sub-underwriting Letters and/or the amount of such subscription moneys payable by it being less than the full amount due to it, such costs, fees and expenses, or the balance thereof, shall be due and payable on the next Business Day following the Settlement Date or on such other date as may be agreed between the Company and these two Sub-underwriters.

The commission rate was determined after arm's length negotiation between the Company and these two Sub-underwriters by reference to, among other things, the size of the Rights Issue and the current and expected market conditions. In view of these factors and the arrangement and the terms of the Chi Sub-underwriting Letters are on normal commercial terms, the Directors consider the terms of the Chi Sub-underwriting Letters including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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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, the Bonus Share, 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 listings of, and permission to deal in, the Rights Shares and Bonus 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 listings and permission on or before 4:00p.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.

LETTER FROM THE BOARD

As at the Latest Practicable Date, other than the condition (a) above, all of the remaining conditions precedent to the Underwriting Agreement have not been satisfied or waived.

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

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- (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 Latest Practicable Date; and (ii) immediately after completion of the Rights Issue and Bonus Shares:

	(1) As at the date of this announcement		(ii) Immediately upon completion of the Rights Issue and issue of Bonus Shares			
			(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	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Chi Capital (<i>Note 1</i>)	1,576,891,352	25.22	4,730,674,056	25.22	5,625,674,056	29.98
Sub-underwriters:						
Mega Wealth Group Ltd	50,000,000	0.8	150,000,000	0.8	3,707,595,850	19.76
Independent Third Party	—	—	—	—	600,000,000	3.20
Independent Third Party	—	—	—	—	600,000,000	3.20
Independent Third Party	—	—	—	—	1,800,000,000	9.60
Independent Third Party	—	—	—	—	1,800,000,000	9.60
Other public Shareholders	<u>4,626,297,925</u>	<u>73.98</u>	<u>13,878,893,775</u>	<u>73.98</u>	<u>4,626,297,925</u>	<u>24.66</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>

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Note:

1. 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.
2. For illustrative purpose only.

The Company and Chi Capital has entered into the Chi Sub-underwriting Letters with the Chi Sub-underwriters to sub-underwrite any Rights Shares that Chi Capital would be called upon to take up in excess of 447,500,000 Rights Shares pursuant to the Underwriting Agreement, up to a maximum of 4,189,012,837 Rights Shares in aggregate. Please refer to the shareholding tables in this section headed “Changes in the shareholding structure of the Company” above for the details of the shareholdings of Chi Capital and each of the Chi Sub-underwriters.

The Company will take appropriate steps to ensure the sufficient public float be maintained upon completion of the Rights Issue and the Bonus Share in compliance with Rule 8.08(1)(a) of the Listing Rules.

Reasons for the Rights Issue and Bonus Share 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 television (“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 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

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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\$134 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.

Details of the major capital expenditure for the deployment in China are as follows:

	<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	9.7
Research and development and business development	97.6
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Approximately US\$14.5 million or 10.8% of the net proceeds will be used for the paid up the 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	GMG-CMMB's general working capital	3.5 million

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Approximately US\$12.2 million or 9.1% 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\$9.7 million or 7.3% 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
3	Build-up and enhance tracking facilities	2 million

Approximately US\$97.6 million or 72.8% 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 and development in broadcasting+4G converged media service system (including research and development in headend system and 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
3.	Certification lab	12 million
4.	IP management and publication platform	15 million
5.	Business development and marketing	25 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 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\$618.47 million (equivalent to approximately US\$80 million). The net subscription price per Rights Share is expected to be approximately HK\$0.0989. The proceeds of the Rights Issue will be used in the above manners. The Group consider to meet the remaining capital requirements by a combination of cash flow being generated by share placement, debt securities, and financial assistance from Chi Capital Holdings Ltd, a company wholly owned by Mr. Wong Chau Chi, a director and a substantial shareholder of the Company which the Company thinks fit to meet deployment and equipment procurement related capital requirements, which are usually settled in cash.

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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 and the Bonus Shares 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. The Shares have been 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 its right to terminate the Underwriting Agreement, the Rights Issue will not proceed.

Any buying or selling of Shares or Rights Shares between the Latest Practicable Date 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.

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 Latest Practicable Date:

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">• Administrative and operations: HK\$47.0 million• New business and network development: HK\$97.1 million• Repayment of convertible note of HK\$45.8 million

LETTER FROM THE BOARD

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of announcement
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"> • Administrative and operations: HK\$7.2 million
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"> • New business and network development: HK\$73.95 million • Administrative and operations: HK\$16.95 million

Save as abovementioned, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the Latest Practicable Date.

CHANGE OF BOARD LOT SIZE

As at the Latest Practicable Date, the Shares are traded on the Stock Exchange in board lots of 20,000 Shares. Based on the closing price of HK\$0.091 per Share (equivalent to a theoretical ex-right price of approximately HK\$0.064 per Share) as at 29 January 2016, upon the allotment and issue of the Rights Shares and the Bonus Shares, the value of each board lot of 20,000 Shares is estimated to be approximately HK\$1,280. It is proposed that with effect from 15 April 2016, the board lot size of the Shares shall be changed from 20,000 to 40,000 so that the estimated market value per board lot of Shares will be approximately HK\$2,760 (based on the theoretical ex-right price of approximately HK\$0.069 per Share as at the Latest Practicable Date). The Board considers that the change in board lot size will increase the value of each board lot of Shares, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company. The proposed change in board lot size is not conditional upon the approval by the Independent Shareholders or the completion of the Rights Issue and Bonus Shares. The Company will proceed with the proposed change in board lot size whether or not the Rights Issue and the Bonus Shares are approved by the Independent Shareholders at the EGM and/or completed.

In order to facilitate the trading of odd lots (if any) of Shares arising from the change of board lot size, the Company has appointed KGI Asia Limited to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of Shares (i.e. less than 40,000 Shares) to

LETTER FROM THE BOARD

make up a full board lot of 40,000 Shares, or to dispose of their holding of odd lots of Shares. Holders of odd lots of Shares who wish to take advantage of this trading facility to dispose of or top up odd lots should contact Ms. Grace Mok (telephone number: (852) 2878 4486) of KGI Asia Limited, at 41/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong during the period from 15 April 2016 to 10 May 2016, both days inclusive.

Holders of Shares in odd lots of less than 40,000 Shares should note that successful matching of the sale and purchase of odd lots of Shares will not be guaranteed. Shareholders are advised to consult their professional advisers if they are in doubt about the above arrangement.

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, the executive Director and the chairman of the Board. The principal business activity of Chi Capital is investment holdings.

At the Latest Practicable Date, 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 Latest Practicable Date, 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.

INFORMATION ON CHI SUB-UNDERWRITERS

Mega Wealth Group Ltd is a company incorporated in Samoa with limited liability and is wholly owned by an independent third party. The principal business activity of Mega Wealth Group Ltd is investment holdings. Mega Health Group Ltd holds 50,000,000 Shares of the Company as at the Latest Practicable Date.

The other four Sub-underwriters are independent third parties.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealing in the Rights Shares and, as regards the Excluded Shareholders, their receipt of the net proceeds of sale of the Rights Shares in their nil-paid form otherwise falling to be issued to them under the Rights Issue. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of the holders of the Rights Shares resulting from the purchase, holding or disposal of, or dealing in the Rights Shares.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

Yours faithfully,
By order of the Board
CMMB Vision Holdings Limited
WONG Chau Chi
Chairman

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the years ended 31 December 2012, 2013 and 2014 are disclosed in the annual reports of the Company for the years ended 31 December 2012, 2013 and 2014, and the financial information of the Group for the six months ended 30 June 2015 are disclosed in the interim report of the Company for the six months ended 30 June 2015, respectively, which are published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<http://www.irasia.com/listco/hk/cmmbvision/>).

The following is a summary of the audited financial information of the Group for each of the three years ended 31 December 2012, 2013 and 2014, as extracted from the relevant annual reports of the Company, and the financial information of the Group for the six months ended 30 June 2014 and 2015, as extracted from the relevant interim reports of the Company.

The Company's auditor, Deloitte Touche Tohmatsu, has not issued any qualified opinion on the Group's consolidated financial statements for the years ended 31 December 2012, 2013 and 2014.

	For the year ended 31 December		
	2014	2013	2012
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	912,492	713,774	266,227
Cost of sales	<u>(582,824)</u>	<u>(652,695)</u>	<u>(408,502)</u>
Gross profit/(loss)	<u>329,668</u>	<u>61,079</u>	<u>(142,275)</u>
Loss before tax for the year	(2,118,818)	(234,151)	(10,615,261)
Income tax expense	<u>(87,310)</u>	<u>(59,000)</u>	<u>—</u>
Loss and total comprehensive expense for the year	<u>(2,206,128)</u>	<u>(293,151)</u>	<u>(10,615,261)</u>

	For the year ended 31 December		
	2014	2013	2012
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Profit (loss) for the year attributable to:			
- owners of the Company	(1,977,648)	212,481	(9,900,497)
- non-controlling interests	<u>(228,480)</u>	<u>(505,632)</u>	<u>(714,764)</u>
	<u>(2,206,128)</u>	<u>(293,151)</u>	<u>(10,615,261)</u>
Total comprehensive income (expense) attributable to:			
- Owners of the Company	(1,977,648)	212,481	(9,900,497)
- Non-controlling interests	<u>(228,480)</u>	<u>(505,632)</u>	<u>(714,764)</u>
Total comprehensive expense for the year	<u>(2,206,128)</u>	<u>(293,151)</u>	<u>(10,615,261)</u>
		<i>(Restated)</i>	
Earnings (loss) per share			
- Basic	<u>(0.0009)</u>	<u>0.0002</u>	<u>(0.0190)</u>
- Diluted	<u>(0.0010)</u>	<u>(0.0015)</u>	<u>(0.0190)</u>

	For the six months ended 30 June	
	2015 US\$ (<i>unaudited</i>)	2014 US\$ (<i>unaudited</i>)
Revenue	638,991	393,511
Cost of sales	<u>(415,335)</u>	<u>(615,012)</u>
Gross profit/(loss)	<u>223,656</u>	<u>(221,501)</u>
Loss before tax for the period	(3,791,873)	(2,435,455)
Income tax expense	<u>(70,831)</u>	<u>—</u>
Loss for the period	(3,862,704)	(2,435,455)
Other comprehensive (expense) income		
Item that may be subsequently reclassified to profit or loss		
Exchange differences arising on translation	<u>(5,736)</u>	<u>284</u>
Loss and total comprehensive expense for the period	(3,868,440)	(2,435,171)
Loss for the period attributable to		
- owners of the Company	(3,850,319)	(2,161,515)
- non-controlling interests	<u>(12,385)</u>	<u>(273,940)</u>
	<u>(3,862,704)</u>	<u>(2,435,455)</u>
Total comprehensive expense attributable to:		
- Owners of the Company	(3,856,055)	(2,161,231)
- Non-controlling interests	<u>(12,385)</u>	<u>(273,940)</u>
Total comprehensive expense for the period	<u>(3,868,440)</u>	<u>(2,435,171)</u>
Loss per share		<i>(Restated)</i>
- Basic	<u>(0.10)</u>	<u>(0.19)</u>
- Diluted	<u>(0.10)</u>	<u>(0.19)</u>

Please see below quick link to the interim report of the Company for the six months ended 30 June 2015:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0922/LTN20150922013.pdf>

Please see below quick link to the annual reports of the Company for the year ended 31 December 2014:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0417/LTN20150417681.pdf>

Please see below quick link to the annual reports of the Company for the year ended 31 December 2013:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0430/LTN201404301280.pdf>

Please see below quick link to the annual reports of the Company for the year ended 31 December 2012:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0501/LTN20130501007.pdf>

Please see below quick link to the accountant report of Chi Vision for the period from 24 January 2014 (date of incorporation) to 30 June 2014 (see Appendix IIA of the circular of the Company dated 31 December 2014):

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/1231/LTN20141231331.pdf>

2. INDEBTEDNESS**Convertible Notes**

As at the close of business on 31 January 2016, the Group had outstanding Convertible Notes due 2021 in the aggregate principal amount of US\$33,635,052 issued by the Company to Chi Capital on 22 July 2015.

Contingent liabilities

As at the close of business on 31 January 2016, the Group has guaranteed a contingent liabilities of an aggregate amount of US\$1,551,000 in respect of an upgrade project undertaken by its equity investment.

Save as disclosed above, the Group did not have any outstanding mortgages, charges, debt securities, term loans and overdrafts, hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits, other borrowings or indebtedness in the nature of borrowings or any guarantees or other material contingent liabilities as at the close of business on 31 January 2016.

3. MATERIAL ACQUISITION SINCE 30 JUNE 2015

Save as disclosed in note 18(c) of the 2014 Annual Report and note 11(i) the 2015 Interim Report, pursuant to a sale and purchase agreement dated 23 May 2014 and a supplementary agreement dated 14 October 2014 (collectively the “S&P Agreements”) entered into between the Company and Chi Capital to acquire the 79% equity interest in Chi Vision USA Corporation (“Chi Vision”), a company established in Delaware, USA with limited liability and was then owned as to 20% by NYBB and 80% by Chi Capital. Chi Vision holds the user and operating rights over free-to-air UHF spectrum TV stations inclusive of the spectrum usage, broadcasting rights and operating facilities in seven top US metropolitan cities (the “Acquisition”). The total consideration for the Acquisition is US\$77,480,000 which is settled by US\$34,180,000 which is paid by cash; issuance of the convertible notes with principal amount of US\$38,000,000 at the initial conversion price of HK\$0.10; and issuance of the convertible notes with principal amount of US\$5,300,000 at the initial conversion price of HK\$0.473. The Acquisition has completed on 22 July 2015.

There is no variation in the aggregate of the remuneration payable to and benefits in kind receivable by the directors of Chi Vision in consequence of the acquisition.

Information on the Television Stations

As at the Latest Practicable Date, Chi Vision holds the user and operating rights and operating assets over seven free-to-air UHF spectrum television stations (the “**Television Stations**”) inclusive of the spectrum user rights, network equipment, site leases, broadcasting licenses, business contracts and strategic partnerships pertaining to the operation of the television stations, which it acquired from NYBB. Below is a summary of the Television Stations:

Station call name:	WAGC-LD
Location:	Atlanta, Georgia
Spectrum Use:	470 MHz — 476 MHz
Population coverage:	4,924,305
License grant date:	13 September 2013
License expiration date:	1 April 2021
Date of transfer to NY Spectrum:	13 September 2013
Expiration date of lease agreement with NY Spectrum:	30 April 2039
Station call name:	KMMC-LD
Location:	San Francisco, California
Spectrum Use:	626 MHz — 632 MHz
Population coverage:	5,474,006
License grant date:	4 December 2014 (renewed)
License expiration date:	1 December 2022
Date of transfer to NY Spectrum:	25 June 2013
Expiration date of lease agreement with NY Spectrum:	30 April 2039
Station call name:	KQHO-LD
Location:	Houston, Texas
Spectrum Use:	506 MHz — 512 MHz
Population coverage:	4,974,370
License grant date:	27 October 2014 (renewed)
License expiration date:	1 August 2022
Date of transfer to NY Spectrum:	20 September 2013
Expiration date of lease agreement with NY Spectrum:	30 April 2039
Station call name:	KVFW-LD
Location:	Dallas, Texas
Spectrum Use:	584 MHz — 590 MHz
Population coverage:	5,292,011
License grant date:	10 December 2014 (renewed)
License expiration date:	1 August 2022
Date of transfer to NY Spectrum:	25 June 2013
Expiration date of lease agreement with NY Spectrum:	30 April 2039

Station call name: WTXI-LD
Location: Miami, Florida
Spectrum Use: 614 MHz — 620 MHz
Population coverage: 4,263,599
License grant date: 3 February 2014
License expiration date: 1 February 2021
Date of transfer to NY Spectrum: 8 July 2013
Expiration date of lease agreement with NY Spectrum: 30 April 2039

Station call name: WTBT-LD
Location: Tampa, Florida
Spectrum Use: 656 MHz — 662 MHz
Population coverage: 2,994,454
License grant date: 26 April 2013
License expiration date: 1 February 2021
Date of transfer to NY Spectrum: 8 July 2013
Expiration date of lease agreement with NY Spectrum: 30 April 2039

Station call name: KVHD-LD
Location: Los Angeles, California
Spectrum Use: 626 MHz — 632 MHz
Population coverage: 17,206,901
License grant date: 8 December 2014 (renewed)
License expiration date: 1 December 2022
Date of transfer to NY Spectrum: 12 August 2014
Expiration date of lease agreement with NY Spectrum: 30 July 2039

As set out in the above summary, each Television Station is entitled to exclusively use up to six MHz bandwidth of UHF spectrum in the public airwave to broadcasting services in the domiciled city. Typically, for terrestrial free-to-air television service, i.e., television service being received at home or fixed location with antenna, 1 MHz bandwidth can accommodate a one standard definition TV channel to be broadcast. A 6-MHz Station can typically accommodate six standard definition TV channels based on current encoding technology. The same airwave can also be used to broadcast programming to mobile devices by applying different transmission technology, hence making mobile TV and multimedia the next great prospect for future TV broadcasting.

Chi Vision is set up to own and operate the Television Stations by way of leasing channels and/or sale of airtime to broadcasting service providers, television broadcast networks and advertisers to broadcast programs to the public. As part of its business plan, the Company intends to utilize these spectra, in conjunction with CMMB and other advanced broadcast-broadband technologies, to deliver CMMB-based mobile entertainment and data services in the future.

**APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP**

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue and the issue of the Bonus Shares. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The unaudited pro forma financial information of the Group (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the basis of one Rights Share for every one existing share in issue on the Record Date at HK\$0.1 per Rights Share and one Bonus Share for every one Rights Share taken up under the Rights Issue on the consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue and the issue of the Bonus Shares had taken place on 30 June 2015.

The Unaudited Pro Forma Financial Information is prepared for illustrative purpose only and, because of its nature, it may not give a true picture of the financial position of the Group as at the date to which it is made up or at any future date.

For the purpose of preparing the Unaudited Pro Forma Financial Information, the presentation currency of the estimated net proceeds from the Rights Issue is converted from Hong Kong Dollars to US Dollars and the following exchange rate was used where appropriate:

$$\text{US\$1} = \text{HK\$7.75}$$

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company derived from the unaudited consolidated statement of financial position of the Group as at 30 June 2015, extracted from the interim report of the Company for the six months ended 30 June 2015, with adjustment described below:

Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015	Estimated net proceeds from the Rights Issue	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion Rights Issue
<i>US\$'000</i>	<i>HK\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
<i>Note (1)</i>	<i>Note (2)</i>	<i>Note (2)</i>	
<u>32,563</u>	<u>618,469</u>	<u>79,802</u>	<u>112,365</u>

**APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP**

US\$

Unaudited consolidated net tangible assets of the Group per share attributable to the owners of the Company as at 30 June 2015 before the completion of the Rights Issue (*Note 3*) 0.008

Unaudited pro forma adjusted consolidated net tangible assets of the Group per share attributable to the owners of the Company as at 30 June 2015 immediately after the completion of the Rights Issue and issue of the Bonus Shares (*Note 4*) 0.007

Notes:

1. The unaudited consolidated net tangible assets (excluding intangible assets) attributable to the owners of the Company as at 30 June 2015 of approximately US\$32,563,000 is based on the unaudited consolidated net assets attributable to owners of the Company of approximately US\$56,407,000 less intangible assets of approximately US\$23,844,000, as extracted from the published unaudited condensed consolidated statement of financial position of the Group as at 30 June 2015.
2. The estimated net proceeds from the Rights Issue of approximately HK\$618,469,000 (approximately US\$79,802,000) are based on 6,253,189,277 Rights Shares to be issued (based on 6,253,189,277 shares in issue as at the latest practicable date and assuming no share options would be exercised and no convertible notes would be converted) at the subscription price of HK\$0.1 per Rights Share and after deduction of estimated related expenses, including among others, financial advisory fee and other professional fees, which are directly attributable to the Rights Issue, of approximately HK\$6,850,000.
3. The unaudited consolidated net tangible assets of the Group per share attributable to the owners of the Company as at 30 June 2015 before the completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets (excluding intangible assets) of the Group attributable to the owners of the Company as at 30 June 2015 of approximately US\$32,563,000 as disclosed in note (1) above, divided by 3,954,741,068 shares which represents Company's shares in issue as at 30 June 2015.
4. Unaudited pro forma adjusted consolidated net tangible assets (excluding intangible assets) of the Group per share attributable to the owners of the Company as at 30 June 2015 immediately after the completion of the Rights Issue and the issue of Bonus Share is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of Rights Issue of approximately US\$112,365,000, divided by 16,461,119,622 shares which represents 3,954,741,068 shares in issue as at 30 June 2015, 6,253,189,277 Rights Shares to be issued pursuant to the Rights Issue (based on 6,253,189,277 shares in issue as at the latest practicable date and assuming no share options would be exercised and no convertible notes would be converted) and 6,253,189,277 Bonus Shares (based on one Bonus Share for every one Rights Share in issue on the Record Date and assuming no share options would be exercised and no convertible notes would be converted).
5. Except for the placing shares issued on 8 July 2015, 14 October 2015 and 30 December 2015, no adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2015.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report, prepared for the sole purpose of incorporation in this Prospectus and received from the independent reporting accountant, HLM CPA Limited, Certified Public Accountants, Hong Kong.

B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

恒健會計師行有限公司

HLM CPA LIMITED

Certified Public Accountants

Room 305, Arion Commercial Centre
2-12 Queen's Road West, Hong Kong
香港皇后大道西 2-12 號聯發商業中心 305 室
Tel 電話: (852) 3103 6980
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E-mail 電郵: info@hlm.com.hk

23 March 2016

The Board of Directors
CMMB Vision Holdings Limited
Unit 1211, Level 12, Core F, Cyberport 3
100 Cyberport Road, Cyberport
Hong Kong

Dear Sirs,

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of CMMB Vision Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") by the directors of the Company (the "Director") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015 and notes as set out in Appendix II of the prospectus issued by the Company dated 23 March 2016 (the "Prospectus"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described in Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the rights issue of 6,253,189,277 shares on the basis of one (1) rights share for every one (1) share held on the record date at HK\$0.1 per rights share (the "Rights Issue") and allotment and issue of the bonus shares on the basis of one (1) bonus share for every one (1) rights share taken up under the Rights Issue on the Group's financial position as at 30 June 2015 as if the Rights Issue had taken place at 30 June 2015. As part of this process, information about the Group's unaudited consolidated net tangible assets of the Group attributable to the owners of the Company has been extracted by the Directors from the Group's unaudited condensed consolidated statement of financial position as at 30 June 2015, on which an unaudited interim report has been published.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" (the "AG 7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

**APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE GROUP**

- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

HLM CPA Limited
Certified Public Accountants
Chan Lap Chi
Practising Certificate Number: P04084
Hong Kong

RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus 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 Prospectus misleading.

SHARE CAPITAL

The authorised and issued share capitals of the Company as at the Latest Practicable Date were, and immediately after completion of the Rights Issue will be, as follows:

	<i>HK\$</i> <i>(Nominal Value)</i>
Authorised share capital:	
5,000,000,000 Shares	500,000,000
Issued and fully paid share capital:	
6,253,189,277 Shares in issue	625,318,927.70
12,506,378,554 Shares in aggregate to be issued upon completion of the Rights Issue and the issue of the Bonus Shares (assuming no further issue of new Shares on or before the Record Date)	1,250,637,855.40

All the Shares in issue rank, *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Rights Shares and the Bonus Shares, when allotted, issued and fully paid, will rank *pari passu* with each other and the then existing Shares in issue in all respects including rights to dividends, voting and return of capital.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or the Bonus Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, 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.

WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that the Group will, taking into account the Rights Issue, the issue of the Bonus Shares and the financial resource available to the Group, have sufficient working capital for its present operating requirements and for the next twelve months from the date of this Prospectus.

BUSINESS REVIEW AND FINANCIAL AND TRADING PROSPECTS*The background of the Company's existing business model*

The principal activity of CMMB Vision Holdings Limited (the "Company") is investment holding whilst its subsidiaries are mainly engaged in provision of China Mobile Multimedia Broadcasting ("CMMB") and agency services.

After restructuring and reorganization from previous manufacturing and sale of rigid printed circuit boards and rigid printed circuit board assembly in 2011, the Company started its business in provision of CMMB services. The Company is a leading next generation mobile multimedia network and service provider which is potentially market disruptive to providing mobile internet and entertainment services in the coming internet era.

The Company entered agreement to acquire seven UHF spectrum television ("TV") stations in seven top cities in the US, including Los Angeles, San Francisco, Dallas, Houston, Atlanta, Miami, and Tampa. The acquisition expanded the Company's portfolio to a total of 12 TV stations in addition to the New York market. The portfolio gives the Company an unique wireless spectrum network to not only deliver free-to-air digital TV programming to a much larger audience coverage with operating efficiencies and revenue opportunities, but also well-position it to deploy a next-generation mobile broadcasting service platform for new media services extended from home to mobile users and vehicles.

The Company deploys CMMB/NGB-W mobile digital broadcasting technology which can converge with other mobile technologies such as 3G, LTE and WiFi to create the groundbreaking interactive mobile broadcasting system. It has a wireless UHF TV network over 8 major cities in the US under preparation for potential deployment of the CMMB-LTE network, and is operating a digital broadcasting service in New York.

The Group is developing to be a leading next generation mobile multimedia service provider. It addresses the rapidly growing demand for mobile and wireless video and internet content downloads with a very low cost and efficient solution based on the China-developed CMMB multicast technology. Consumers with untethered CMMB-enabled devices such as handsets, netbooks, MP4s, dongles, GPS, and LED panels can receive virtually unlimited and instant mobile video and Internet downloads anytime anywhere deliverable through a ubiquitous terrestrial and satellite network.

Developed by the State Administration of Radio, Film, and Television (“SARFT”) of the People’s Republic of China (“PRC”) with collaboration from the United States of America, CMMB is one of the most advanced digital broadcasting (multicast) technologies invented in the 21 Century that enables mobile television (“TV”) delivery and data delivery through Internet by the Internet Protocol (“IP data”). It is Orthogonal frequency-division multiplexing (“OFDM”) based, and can readily interact with other OFDM technologies such as third generation mobile technology 3G, fourth generation mobile technology (“4G”) based on Institute of Electrical and Electronics Engineers standards 802.16(e) (“WiMax”) and 4G Long Term Evolution (“4G LTE”). The key feature of CMMB is that it can deliver streaming live mobile video and pushIP data in a massive quantity and instant speed simultaneously to an unlimited number of mobile users anytime anywhere at very low cost. CMMB has been widely deployed over 330 Chinese cities with the support of world’s largest mobile network and supply-chain ecosystem.

The Group’s main business will apply the CMMB technology to address the growing bottleneck caused by video and Internet data content distribution, which can no longer be accommodated by the conventional unicast — based mobile communication technologies. In China, its goal is to become a leading CMMB service provider. Globally, its goal is to promote and develop CMMB by deploying and operating CMMB-based networks and services in different countries and create a global multimedia franchise.

Intended business model of the satellite services and integration with our existing business

The 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.

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.

With the signing of the GMG-CMMB joint venture agreement (see the Company’s announcement dated 29 January 2016), the Company has solidified an operating partnership with a State-level media, which allows the Company to combine its satellite resources with the State media’s operating capacity, regulatory franchise, nationwide network, and global presence to service to China and One-Belt-One-Road countries. Operation is expected to commence soon.

China's 13th Five-Year Plan encouraged Hong Kong to collaborate with China for technology innovation and participation in the "One-Belt-One-Road" development. The Company's AsiaStar satellite platform covers the whole Asia and its 4.4 billion population, the only existing "information corridor in the sky" seamlessly connecting China and the Asian countries. Hong Kong is the Company's home base. In launching its satellite trial network in China, the Company also plans to simultaneously launch trial services in Hong Kong and for it to act as the regional hub and a showcase for developing services in the One-Belt-One-Road Asian countries. It will invite the general public to participate the trial and the details will be provided later.

The Company's first-generation product is coming out in 2016, which will be in the form of a "mobile satellite WiFi set-top-box"; receiving satellite signals live and re-transmitting via internal WiFi to other mobile devices in vicinity to allow mobile users to enjoy services. The Company will be partnering with local operators for sales and distribution while taking advantage of the Olympic opportunity to launch marketing campaigns. Future products will be vastly upgraded with the launch of Silkwave-1 satellite, which can transmit 200+ HiFi radio channels and 100+ HD video channels as well as massive amount of Cloud content downloads.

The Company will adopt the digital audio radio service ("DARS") model with enhanced technologies to offer audio-video-data services bundled with navigation and logistics and other big-data applications with much larger economies of scale in China. Services will tailor to cars, ships, and vehicles and as well as government entities and target to develop 80 million users within China's 13th Five-Year Plan (2016 — 2020) period.

DIRECTORS

Executive Directors

Mr. WONG Chau Chi ("Mr. Wong"), aged 51, was appointed as an executive Director in May 2007. Mr. Wong is currently the chief executive officer of the Group and the Chairman of the Board. Mr Wong has extensive experiences in finance, technology, and industrial management. He engineered the restructuring and reorganization of Global Flex Holdings Limited, a manufacturing company, into CMMB Vision Holdings Limited, a market leader in the development and operation of state-of-the-art mobile multimedia technologies tailored to the internet age. Mr. Wong is also the founder and managing director of Chi Capital Holdings Limited, a securities and private equity group. He also worked as the business head for derivatives and securities departments of Goldman Sachs, Citibank, and BNP Paribas, and business and financial management departments of General Electric and McKinsey. Mr. Wong graduated from Pomona College with a BA Degree in Economics and International Relations, as well as a degree in Master in Public Policy (MPP) from the Kennedy School of Government at Harvard University. He was also matriculated by the St. Antony's College at Oxford University for its political history program. Mr. Wong had not held any position nor directorship in other listed companies in the three preceding years.

Dr. LIU Hui (“Dr. Liu”), aged 47, was appointed as a non-executive Director in November 2009 and re-designated to an executive Director in May 2011. Dr. Liu is currently the chief technology officer of the Group and the Vice-chairman of the Board. Dr. Liu is one of the world’s leading telecommunications engineers and inventors. He was the primary inventor of 18 granted or pending telecommunications patents, including more than half a dozen patents in the core OFDM technology that underlies LTE, Mobile WIMAX and CMMB. He developed CMMB, which had its inaugural launch at the 2008 Beijing Olympics and is now being used in 330 cities in the PRC. As an international renowned telecomm expert, he is also one of the original designers of TD-SCDMA (China’s self-developed 3G standard) and a pioneer of OFDMA mobile networks. Dr. Liu holds a BS degree in Electrical Engineering from Fudan University and a PhD degree from University of Texas at Austin. His research interests include broadband wireless networks, array signal processing and applications, and multimedia signal processing. He has received a number of awards, including a Fellow of IEEE (Comm. Society), the 1997 National Science Foundation (NSF) CAREER Award, the ONR Young Investigator Award, and the Chinese Gold Prize Patent award for his contributions on TD-SCDMA. Mr. Liu is representing the Company as a key member in the Next Generation Broadcasting — Wireless Working Group in China, which is the comprehensive technology platform for the next generation CMMB and China’s triple network convergence (i.e. internet, broadcasting, telecom) initiative. Dr. Liu had not held any position nor directorship in other listed companies in the three preceding years.

Non-executive Directors

Mr. CHOU Tsan-Hsiung (“Mr. Chou”), aged 73, was appointed as an independent non-executive Director in June 2005 and was subsequently re-designated as a non-executive Director in September 2005. Mr. Chou graduated with a bachelor degree in Laws from the National Chengchi University and is a member of Taipei Bar Association. Mr. Chou is currently a practicing lawyer in the Best Truth Law Firm in Taiwan. Mr. Chou previously worked in the Legal Affairs Office of the Central Trust of China. Mr. Chou had not held any position nor directorship in other listed companies in the three preceding years.

Mr. YANG Yi (“Mr. Yang”), aged 52, was appointed as a non-executive Director in February 2007. Mr. Yang first graduated from the Beijing University with a Bachelor Degree of Art in International Politics in 1987 and was awarded a scholar of Japanese Education Ministry by the Tokyo University in the same year. In 1991, Mr. Yang was awarded a master degree of Art in Law & Diplomacy by Fletcher School of Law and Diplomacy, jointly administrated by Tufts University and Harvard University. Mr. Yang has about 28 years of experience in finance and human resources management. The major appointments and positions previously assumed by Mr. Yang include a financial analyst at the fixed income division of J.P. Morgan Securities (Tokyo), the vice president of the human capital management of Goldman Sachs LLP (New York), the principal of executive search in the financial industry of Korn/Ferry International (Hong Kong) and a managing director of A.T. Kearney Management Consultancy (Hong Kong). At present, Mr. Yang is the director and founder of G Bridge Limited, Hong Kong based human resources advisory firm. Mr. Yang had not held any position nor directorship in other listed companies in the three preceding years.

Independent non-executive Directors

Mr. WANG Wei-Lin (“Mr. Wang”), aged 44, was appointed as an independent non-executive Director in September 2005. Mr. Wang has obtained a degree in Juris Scientiae Doctoris (Doctor of Juridical Science) from the Washington University in St. Louis. Mr. Wang also graduated with a Master of Laws degree from the University of Pennsylvania and a bachelor degree in laws from the National Chengchi University. Mr. Wang is a certified attorney in Taiwan and the New York State of the United States of America. Mr. Wang is also a member of the Taipei Bar Association and American Bar Association. Mr. Wang is currently an assistant professor in Shih Hsin University School of Law (世新大學法學院助理教授). Mr. Wang is currently an independent director of YoungFast (洋華光電股份有限公司), a company listed on the Taiwan Stock Exchange Corporation. Save as aforesaid, Mr. Wang had not held any position nor directorship in other listed companies in the three preceding years.

Mr. LI Shan (“Mr. Li”), aged 52, was appointed as a non-executive Director in October 2009 and re-designated to an independent non-executive Director in March 2010. Mr. Li graduated from School of Economics and Management of Tsinghua University with a BS degree in Management Information Systems in 1986, from University of California Davis with a MA degree in Economics in 1988, and from Massachusetts Institute of Technology with a PhD degree in Economics in 1993. After graduation, Mr. Li worked as an International Economist for Goldman Sachs & Co. In 1995, he became an Executive Director of Investment Research Department of Goldman Sachs (Asia), Executive Director for Investment Banking in Goldman Sachs International in London in 1997. From 1999 to 2001, Mr. Li was a Managing Director and the Head of China Investment Banking at Lehman Brothers. During 2001-2005, Mr. Li was the Chief Executive Officer for Bank of China International Holdings (“BOCI”) in Hong Kong. Mr. Li has over 23 years of experience in investment banking and related financial management. At present, Mr. Li is a founding partner and Chief Executive Officer for San Shan (HK) Limited, an investment advisory company based in Hong Kong, Executive President of the institute for Governance Studies at Tsinghua University, Director for Soufun.com, a company listed on New York Stock Exchange. Mr. Li was also a Director for ENN Ecological Holdings Co., Ltd. and Star Cable, both companies listed on Shanghai Stock Exchange and vice-chairman of UBS Investment Bank, a business division of UBS AG. Save as aforesaid, Mr. Li had not held any position nor directorship in other listed companies in the three preceding years.

Dr. LI Jun (“Dr. Li”), aged 54, was appointed as a non-executive Director in June 2007 and re-designated to an independent non-executive Director in May 2011. Dr. Li obtained a doctorate degree of philosophy in Political Economy from Oxford University in the United Kingdom. He was a senior manager and director of a number of securities and investment companies in Hong Kong and had extensive experience in international financial market. Dr. Li is previously an independent non-executive director of Sun Century Group Limited (formerly known as Hong Long Holdings Limited) (Stock code: 1383) until 1 June 2012 and an independent non-executive director of Zhejiang Glass Company, Limited (Stock code: 739) until 31 May 2013. Save as aforesaid, Dr. Li had not held any position nor directorship in other listed companies in the three preceding years.

The business address of all Directors is at Unit 1211, Level 12, Core F, Cyberport 3, 100 Cyberport Road, Cyberport, Hong Kong.

None of the Directors or members of the senior management have any relationship with each other.

CORPORATE INFORMATION

Registered office	Cricket Square Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands
Principal place of business of the Company in Hong Kong	Unit 1211, Level 12, Core F Cyberport 3 100 Cyberport Road Cyberport Hong Kong
Company secretary	Ms. Chan Pui Yee Janice, FCCA and HKICPA
Authorised representatives	Mr. Wong Chau Chi Mr. Chan Pui Yee Janice Unit 1211, Level 12, Core F Cyberport 3 100 Cyberport Road Cyberport Hong Kong
Auditor	HLM CPA limited <i>Certified Public Accountants</i> Room 305, Arion Commercial Centre 2-12 Queen's Road West Hong Kong
Principal share registrar and transfer agent	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House, 24 Shedden Road George Town, Grand Cayman KY1-1110 Cayman Islands
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

Principal bankers Hong Kong Shanghai Banking Corporation Limited
1 Queen's Road
Central
Hong Kong

PARTIES INVOLVED IN THE RIGHTS ISSUE AND THE ISSUE OF THE BONUS SHARES

Underwriter Chi Capital Holdings Ltd
P.O. Box 438
Road Town, Tortola
British Virgin Islands

Legal adviser to the Company Orrick, Herrington & Sutcliffe
43rd Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

DISCLOSURE OF INTERESTS

Directors' and chief executive's interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code") were as follows:

Ordinary Shares

Name of Director	Capacity/nature of interest	Total number of ordinary shares held	Approximate percentage of interest
Mr. Wong Chau Chi	Interest of controlled corporation (<i>Note</i>)	1,576,891,352	25.22%

Notes: These Shares are registered under the name of Chi Capital, a company wholly owned by Mr. Wong Chau Chi and he was the sole shareholder and director of Chi Capital. Under the SFO, Mr. Wong Chau Chi was deemed to be interested in all the Shares held by Chi Capital

All the interests disclosed above represent long positions in the shares of the Company. Save as disclosed above, none of the Directors, chief executives of the Company or their associates had any interests or short positions, whether beneficial or non-beneficial, in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at the Latest Practicable Date as required to be recorded in the register maintained by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests of substantial shareholders in the Company

As at the Latest Practicable Date, the register of the Company's substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors or chief executives of the Company, the following shareholders of the Company had notified the Company of the relevant interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation.

Name of Shareholder	Capacity/nature of interest	Number of ordinary shares <i>(Note 1)</i>	Approximate percentage of interest
Chi Capital Holdings Ltd	Beneficial owner <i>(Note 2)</i>	1,576,891,352 (L)	25.22%

Notes:

1. The letter "L" denotes the persons' long positions in the shares of the Company.
2. These Shares are registered under the name of Chi Capital, a company wholly owned by Mr. Wong Chau Chi, a Director of the Company, and he was the sole shareholder and director of Chi Capital. Under the SFO, Mr. Wong Chau Chi was deemed to be interested in all the Shares held by Chi Capital.

Save as disclosed above, so far as is known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, no other person (other than a Director or a chief executive of the Company) had or deemed or taken to have an interest or a short position in any shares, underlying shares or debentures of the Company or its associated corporations as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or had any option in respect of such capital.

Interests in assets, contracts or arrangements

None of the Directors or expert named in the paragraph headed "Qualification of expert" in this appendix has any direct or indirect interest in any assets acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 30 June 2015, being the date to which the latest published unaudited condensed consolidated financial statements of the Company were made up, and none of the Directors has any interests in contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of the Group taken as a whole.

Service contracts

There is no existing or proposed service contract between any member of the Group and any Director or proposed Director (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensations)).

MATERIAL CONTRACTS

Save for the Underwriting Agreement and the Chi Sub-underwriting Letters, no contracts (not being contracts entered into in the ordinary course of business) have been entered into by any member of the Group within the two years preceding the date of the Announcement which are or may be material.

MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 30 June 2015 (being the date to which the latest published unaudited financial statements of the Company were made up).

LITIGATION

Neither the Company nor any of its Subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

QUALIFICATION OF EXPERT

The qualifications of the expert who has given opinions in this Prospectus is as follows:

Name	Qualification
HLM CPA Limited	Certified Public Accountants, Hong Kong

Interests of expert in the Group

The expert named in the paragraph headed “Qualification of expert” in this appendix does not have any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

CONSENT

The expert named in the paragraph headed “Qualification of expert” in this appendix has given and has not withdrawn its respective written consent to the issue of this Prospectus with copies of its reports, valuation or letters (as the case may be) and the references to its name included herein in the form and context in which they are respectively included.

GENERAL

- (a) The English text of this Prospectus shall prevail over the Chinese text.
- (b) The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.

EXPENSES

The expenses in connection with the Rights Issue, including underwriting commission, financial advisory fees, printing, registration, legal and accounting fees, are estimated to be approximately HK\$6.85 million and will be payable by the Company.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents, together with the written consent referred to in the paragraph headed “Consent” in this Appendix, have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (WUMP) Ordinance.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at Unit 1211, Level 12, Core F, Cyberport 3, 100 Cyberport Road, Cyberport, Hong Kong during normal business hours from 9:30 a.m. to 5:30 p.m. from the date of this Prospectus up to and including 11 April 2016:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the two years ended 31 December 2014;
- (c) the accountant’s report on the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group issued by HLM CPA Limited, the text of which is set out in Appendix II to this Prospectus;
- (d) the Underwriting Agreement;
- (e) the Chi Sub-underwriting Letters;
- (f) the written consent referred to in the paragraph headed “Consent” in this appendix;
- (g) the Circular; and
- (h) this Prospectus