

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



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)

VOLUNTARY ANNOUNCEMENT

MOU FOR NEW ENERGY AND FINANCIAL TECHNOLOGY BUSINESS

Summary

- The Company is planning to enter into new businesses in renewable energy and financial technology, starting with the Greater Bay Area. It has entered into a memorandum of understanding (“MOU”) with 广东光电宝新能源科技有限公司 (“Guangdong Guangdianbao New Energy Technology Co., Ltd.”) to form a joint venture via equity and cash exchanges. The final agreement is expected to be signed in 90 days.
- The joint venture will provide “distributed photovoltaic electricity grid stations” on the roof-tops of commercial, industrial, and residential buildings complete with turnkey operation as well as IoT services, and become a renewable energy asset management company in the green economy sector.
- The Company will also bundle its satellite multimedia systems for deployment in the Greater Bay Area to provide abundant and low-cost mobile multimedia services to building tenants while extending the connected-car multimedia services to offices and homes for seamless access.
- The terms set out in the MOU are not legally binding. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

New Energy Asset Management Platform

The Company is pleased to announce that in order to diversify its business and revenue streams, fully maximize its technology platform, and capture the benefits from China’s new energy policy, the Company is planning to enter into the renewable energy and financial technology businesses. It has entered into a memorandum of understanding (“MOU”) with 广东光电宝新能源科技有限公司 (“Guangdong Guangdianbao New Energy Technology Co., Ltd.” or “GDB”) to form a joint venture company via equity and cash exchanges.

The joint venture will build “distributed photovoltaic (“PV”) electricity grid stations” on the roof-tops of commercial, industrial, and residential buildings in the Greater Bay Area, as well as provide turnkey operation and management services in partnership with building owners. It will earn income from electricity generated and government subsidies as stipulated in the latest government directive for distributed PV power generation. In addition, the joint venture will pool the assets and income streams of the power grids and become one of the first-moving renewable energy asset management company in the green economy sector.

Bundling Satellite Multimedia Services for Deployment

As the joint venture will be installing PV power stations on the roof-tops of many commercial and residential buildings across the Greater Bay Area, it will also bundle with the installation the Company's satellite multimedia receiver systems on the same roof-tops, which will enable the Company to quickly deploy services to building tenants in scale while supplementing the conventional in-building cellular and broadband networks with unlimited data and very low-costs to access our multimedia entertainment and data programs, and also extend our connected-car multimedia services to offices and homes for seamless access.

MOU Details

According to the MOU, GDB will provide turnkey photovoltaic technology and service platforms, ecosystem partnerships, project management expertise, distribution network, investment partners, while the Company will provide financing, capital market access, mergers and acquisitions advice, digital technology, financial expertise, and other strategic services, including helping the joint venture business to assist its listing in capital markets.

The two sides will enter due diligence and discuss the details of the final agreement as soon as possible with the intention of reaching a final agreement within 90 days.

Huge market, policy support, favorable returns

China is the world's largest market for photovoltaic energy production and applications. Photovoltaic energy is the most efficient and economically scalable renewable energy, an indispensable path for green energy development. Years of technological innovation and ecosystem development has rendered the cost of photovoltaic energy to drop significantly and can be even lower than coal-fired power generation. As a result, PV adoption will become more and more widespread. The government has also put in place generous subsidies in support of PV development targeting the distributed commercial and residential mass-market, particularly the directive from the Development and Reform Commission announced in April 2019 which articulates various photovoltaic power subsidy policies. The policy which will greatly stimulate mass-market adoption and investment returns of PV power generation.

Greater Bay Area Advantages

The Greater Bay Area, as the country's large-scale, world-class special trade zone, is a center for science and technology innovation, showcasing the strong cooperation between Mainland and Hong Kong and Macao. The Greater Bay Area has hundreds of thousands of commercial and residential buildings in the region suitable for PV electricity generation. It is also expected that the Greater Bay Area region will have a much more expedient and flexible policy and regulatory environment, which will help jump-start our joint venture's business deployment in the region and could eventually expand to the whole of China.

About GDB

GDB is a global green energy advocate and application promoter, a committed innovator for science and technology developments in new energy. The company focuses on providing build-and-operate services for photovoltaic power stations installed on industrial and commercial buildings, involving project consultations, design, application, construction, grid-integration, management, monitoring, maintenance etc. The company's premise is on constructing distributed PV power stations as its business base. It deploys a C2C network to bridge electricity supplier and consumers, using blockchain technology for seamless turnkey management, and hopes to eventually become an advanced green energy technology conglomerate with vertical integration of R&D, high-end equipment manufacturing, component production, and power station construction capabilities.

About the MOU

According to the MOU, the Company and GDB will explore business opportunities and strategic cooperation in the field of photovoltaic energy production and application markets ("strategic cooperation"). Details of strategic cooperation are subject to further negotiation and a final agreement will need to be signed prior to legal execution and implementation. Except for the confidentiality clauses, this MOU is not legally binding.

Rationale and Benefits for Entering the MOU

The Company is of the view that the MOU would generate long-term strategic values. Should the GDB strategic cooperation be implemented, the Company can use the expertise and experience of GDB as a cost-effective platform to quickly enter the opportunities presented by the new energy and financial technology industries and capture these rapidly developing markets. Also, the Company's existing satellite multimedia business can also leverage on the joint venture's operations to commence deploying in-step and scope with the Greater Bay Area developments and later expand to nationwide. In summary, the Company is of the view that the MOU and the transaction to be carried out are in the overall interest of the Company and its shareholders.

Listing Rules Implications

The terms set out in the MOU are not legally binding. The formation of the joint venture company as contemplated under the MOU, if materialized, may constitute a notifiable transaction under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company will comply with the relevant requirements under the Listing Rules in respect of such transaction. Terms and conditions of the formation of the joint venture are being negotiated and determined and have yet to be finalized. The Company will inform the shareholders of the development as soon as is practicable and will comply with the relevant requirements under the Listing Rules in respect of the relevant transactions contemplated under the MOU as and when appropriate.

General Matters

The Board wishes to emphasize that the transactions to be carried out under the MOU may not necessarily take place and that the contracting party has not entered into a legally binding agreement on the date of this announcement. In the event a final agreement is signed, the Company will publish a further announcement in due course in accordance with the Listing Rules.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 6 May 2019

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