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CMMB VISION HOLDINGS LIMITED

中國移動多媒體廣播控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 471)

PROPOSED SHARE CONSOLIDATION

SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation pursuant to which every twenty (20) issued and unissued Shares of HK\$0.01 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of HK\$0.20 each in the share capital of the Company.

The Share Consolidation is conditional upon, among other things, the approval by the Shareholders by way of poll at the EGM. As none of the Shareholders or their associates would have a material interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Share Consolidation at the EGM.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Share Consolidation. A circular containing, among other matters, further details of (i) the Share Consolidation; and (ii) a notice of the EGM and related proxy form, shall be despatched on or before 21 October 2019.

Shareholders or potential investors should note that (i) significant number of odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

PROPOSED SHARE CONSOLIDATION

The Company intends to put forward a proposal to the Shareholders to effect the Share Consolidation pursuant to which every twenty (20) issued and unissued Shares of HK\$0.01 will be consolidated into one (1) Consolidated Share of HK\$0.20. The Share Consolidation is conditional upon, among other things, the approval by the Shareholders by way of poll at the EGM. As none of the Shareholders or their associates would have a material interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Share Consolidation at the EGM.

Effects of the Share Consolidation

As at the date of this announcement, there are 3,151,332,960 issued Shares and 54,956,892 outstanding Share Options. Assuming that no further Shares are issued or repurchased between the date of this announcement and the date of the EGM, immediately after the Share Consolidation, 157,566,648 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the Company's articles of association. Fractions of Consolidated Shares that arise from the Share Consolidation will not be allocated to the Shareholders otherwise entitled thereto and will be aggregated and sold for the benefit of the Company.

Other than the expenses to be incurred, the implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Share Consolidation.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following:

- (i) the passing of an ordinary resolution by the Shareholders by way of poll to approve the Share Consolidation at the EGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation; and

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on 12 November 2019 being the second business day after the EGM.

Reasons for the Share Consolidation

For the past two years, the share price of the Company has been constantly below HK\$0.1. Under Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities.

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated on 28 June 2019 (the “Guideline”), the expected board lot value should be greater than HK\$2,000 per board lot taking into account the minimum transaction costs for a securities trade. As at the date of this announcement, the closing price of each Share is HK\$0.043, with a board lot size of 4,000 Shares, the Company is trading under HK\$2,000 per board lot. For the purpose of reducing transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes the Share Consolidation. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the trading price per board lot of the Consolidated Shares on the Stock Exchange, which will reduce the overall transaction and handling costs of dealings in the Shares and may attract more investors and extend the shareholders base of the Company.

The Company has been trading at a price-to-book (P/B) of around 0.0694 time recently (based on the closing prices from HK\$0.038 per Share to HK\$0.050 per Share as quoted on the Stock Exchange from 5 September 2019 to 4 October 2019); and the consolidated net asset value of the Group per Share of HK\$0.6212 as at 30 June 2019). The Directors believes that the Company is extremely undervalued and that the adjusted share price of the Consolidated Shares may attract more institutional investors who generally avoid investing in securities trading in less than HK\$0.1. The Directors believe the Share Consolidation will provide greater opportunity for and more flexibility in the Company’s possible equity fundraising in the future.

Therefore, the Board believes the Share Consolidation is in the interests of the Company and the Shareholders as a whole.

Exchange of share certificates

Subject to the Share Consolidation having become effective, Shareholders may during the specified period submit share certificates for Shares to the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares. Thereafter, certificates for Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate for Shares cancelled or each new share certificate issued for Consolidated Shares, whichever number of certificates cancelled/issued is higher. Nevertheless, certificates for Shares will continue to be good evidence of legal title and may be exchanged for certificates for Consolidated Shares at any time.

The new share certificates for the Consolidated Shares will be issued in orange colour in order to distinguish them from the share certificates for the existing Shares which are in green colour.

Application for Listing of the Consolidated Shares

Application will be made to the Listing Committee of the Stock Exchange for granting the listing of and permission to deal in the Consolidated Shares.

Subject to the granting of listing of and permission to deal in the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the securities of the Company is listed or dealt on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Board Lot Size

Currently, the Shares are traded on the Stock Exchange in the board lot size of 4,000 Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain as 4,000 Consolidated Shares.

Based on the closing price of HK\$0.043 per Share as quoted on the Stock Exchange at the date of this announcement, the value for each existing board lot of 4,000 Shares was HK\$172 and the theoretical market value for each board lot of 4,000 Consolidated Shares assuming the Share Consolidation had become effective, would be HK\$3,440.

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, a designated broker has been appointed to match the purchase and sale of odd lots of the Consolidated Shares at the relevant market price per Consolidated Share for the period from 9:00 a.m. on Tuesday, 26 November 2019 to 4:00 p.m. on Monday, 16 December 2019 (both days inclusive). Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot arrangement, is recommended to consult his/her/its own professional advisers. Details of the matching service will be provided in the circular to be despatched to the Shareholders.

Shareholders or potential investors should note that (i) significant number of odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

Expected timetable for the Share Consolidation

Set out below is the expected timetable for the Share Consolidation which is indicative only and has been prepared on the assumption that all the conditions of the Share Consolidation will be fulfilled:

Expected despatch date of the circular, proxy form and notice of the EGM	on or before Monday, 21 October 2019
Latest time for lodging transfer of Shares to qualify for attendance and voting at the EGM.....	4:30 pm on Friday, 1 November 2019
Register of members of the Company closes (both dates inclusive).....	Monday, 4 November 2019 to Friday, 8 November 2019
Latest time for return of proxy form of the EGM	10:00 am on Wednesday, 6 November 2019
Record date for attendance and voting at the EGM	Friday, 8 November 2019
Expected time and date of the EGM to approve the proposed Share Consolidation.....	10:00 am on Friday, 8 November 2019
Announcement of the poll results of the EGM	Friday, 8 November 2019

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation.

Effective date of the Share Consolidation.....	Tuesday, 12 November 2019
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares.....	Tuesday, 12 November 2019
Commencement of dealings in the Consolidated Shares	9:00 am on Tuesday, 12 November 2019
Original counter for trading in the Shares in board lot size of 4,000 Shares (in form of existing share certificates) temporarily closes.....	9:00 am on Tuesday, 12 November 2019
Temporary counter for trading in the Consolidated Shares in board lot size of 200 Consolidated Shares (in form of existing share certificates) opens.....	9:00 am on Tuesday, 12 November 2019
Original counter for trading in the Consolidated Shares in board lot size of 4,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens.....	9:00 am on Tuesday, 26 November 2019

Parallel trading in the Consolidated Shares (in the form of new and existing certificates) commences9:00 am on Tuesday, 26 November 2019

Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares 9:00 am on Tuesday, 26 November 2019

Temporary counter for trading in board lot size of 200 Consolidated Shares (in form of existing share certificates) closes..... 4:00 pm on Monday, 16 December 2019

Parallel trading in the Consolidated Shares (in the form of new and existing certificates) ends..... 4:00 pm on Monday, 16 December 2019

Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares..... 4:00 pm on Monday, 16 December 2019

Latest time of free exchange of existing share certificates for new share certificates for the Consolidated Shares 4:30 pm on Wednesday, 18 December 2019

Notes:

1. All times in this announcement refer to Hong Kong times.
2. The Company will make further announcement if there is any change to the above timetable.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Share Consolidation. A circular containing, among other matters, further details of (i) Share Consolidation; and (ii) a notice of the EGM and related proxy form, shall be despatched to the Shareholders on or before 21 October 2019. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Board”	: the board of Directors
“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
“Company”	: CMMB Vision Holdings Limited, a company incorporated under the laws of the Cayman Islands as an exempted company with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange

“Consolidated Share(s)”	: ordinary share(s) with a par value of HK\$0.20 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	: the director(s) of the Company
“EGM”	: the extraordinary general meeting of the Company convened to be held at Board Room, Level 3, Core C, Cyberport 3, 100 Cyberport Road, Hong Kong at 10:00 a.m. on 8 November 2019
“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 People’s Republic of China
“HKSCC”	: Hong Kong Securities Clearing Company Limited
“Listing Committee”	: has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	: the Rules Governing the Listing of Securities on the Stock Exchange
“Share Options”	: outstanding share options granted under the share options scheme of the Company adopted on 18 December 2015
“Share(s)”	: the share(s) of HK\$0.01 each in the authorised share capital of the Company
“Shareholder(s)”	: holder(s) of Share(s)
“Share Consolidation”	: the proposed consolidation of every twenty (20) issued and unissued Shares into one (1) Consolidated Share
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited

By order of the Board
CMMB Vision Holdings Limited

Wong Chau Chi
Chairman

Hong Kong, 4 October 2019

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