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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)

POTENTIAL ACQUISITION OF AWARD-WINNING CLOUD COMMUNICATION BUSINESS

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

THE MEMORANDUM OF UNDERSTANDING

The board of directors of the Company (the “**Directors**” and the “**Board**”, respectively) is pleased to announce that on 6 January 2021 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”), pursuant to which the Company intends to acquire a controlling stake of Ultra Intelligent Technology Co Ltd (“**UIT**”) (the “**Potential Acquisition**”) which is an award-winning technology start-up specialized in the area industrial wireless communication networking and system architecture. The consideration for the Potential Acquisition will be determined based on further due diligence and third-party evaluation on UIT, and negotiations between the management.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the shareholders of UIT is a third party independent of and not connected with the Company and its connected persons (as defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

GENERAL

If the Potential Acquisition materializes, it may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) in relation to the Potential Acquisition will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

REASONS FOR AND BENEFITS OF THE POTENTIAL ACQUISITION

Pursuant to the MOU, the Company is contemplating to acquire a majority equity stake in UIT and consolidating it as a subsidiary and form a partnership platform between UIT and existing PCB business platform of the Company, if consummated, will help enhance revenue and profit of the Company.

UIT is a top technology provider in the area of software defined Cloud-based wireless access network (SD-WAN) with multiple awards received from Macau and the Great Bay Area. It aims to become the key supplier to industrial customers in Southern China, where numerous state-of-the-art, eco-friendly, and artificial intelligence driven industrial complexes and manufacturing facilities are clustering in smart cities. UIT's business model includes hardware and software solution sale, Cloud service management, and warranty fee. It also has plan to expand to Southeast Asia, Middle East and North Africa and Europe.

The potential transaction and arrangement, if consummated, will help transform the Company's printed circuit board business from a contract-based Original Engineering Manufacturing ("OEM") platform to an Original Development Manufacturing ("ODM") platform with vertically integrated R&D, manufacturing and trading, and product branding capability, which could significantly enhance Company's profit-margin as well as revenue diversity while becoming a niche player in the rapidly growing industrial wireless Cloud communication sector in Southern China.

The Potential Acquisition is subject to, among others, the entering into of the Formal Agreements which both parties will strive to reach within 90 days. As at the date of this announcement, the terms and conditions of the formal agreements are yet to be finalized or agreed between the Company and UIT. As such, the Potential Acquisition may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

Shareholders are advised given the current pandemic restrictions imposed by cross-border authorities due diligence process and site accessibility may experience delay.

By order of the Board
CMMB Vision Holdings Limited

Wong Chau Chi
Chairman

Hong Kong, 6 January 2021

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. LI Shan, Dr. LI Jun and Mr. CHOW Kin Wing.