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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)

DISCLOSEABLE TRANSACTION ASSIGNMENT OF LEASE AGREEMENT

THE DISPOSAL

The Board hereby announces that on 3 March 2021 (after trading hours), the Company through a non-wholly owned subsidiary of the Company as the Seller entered into the Agreement with the Purchaser, pursuant to which the Seller agreed to hereby assigns, transfers, novates and conveys absolutely to the Purchaser all of the Seller's benefits, entitlements, interests, rights and remedies, and all covenants, obligations and liabilities (whether currently outstanding or arising in the future) arising from or in connection with the KMMC Lease and the Purchaser hereby agrees to be substituted in place of the Seller in respect of the KMMC Lease and to be fully bound by the KMMC Lease as and to the same extent as if the Purchaser were a party thereto in place of the Seller from the effective date (the "Assignment").

The consideration to be paid by the Purchaser for the Disposal is US\$1,000,000. US\$500,000, being 50% of the consideration will be paid upon signing of the Agreement and the remaining US\$500,000 will be paid upon completion of the Agreement.

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Agreement is higher than 5% but lower than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

ASSIGNMENT OF LEASE AGREEMENT

The Board hereby announces that on 3 March 2021 (after trading hours), the Company through a non-wholly owned subsidiary of the Company as the Seller entered into the Agreement with the Purchaser, pursuant to which the Seller agreed to hereby assigns, transfers, novates and conveys absolutely to the Purchaser all of the Seller's benefits, entitlements, interests, rights and remedies, and all covenants, obligations and liabilities (whether currently outstanding or arising in the future) arising from or in connection with the KMMC Lease and the Purchaser hereby agrees to be substituted in place of the Seller in respect of the KMMC Lease and to be fully bound by the KMMC Lease as and to the same extent as if the Purchaser were a party thereto in place of the Seller from the effective date (the "Assignment").

Details of the Agreement are summarized as follows:

Date

3 March 2021 (after trading hours)

Parties

- | | |
|--------------------|--|
| (i) the Seller | Chi Vision USA Corporation, a company incorporated in the State of Delaware with limited liability |
| (ii) the Purchaser | Mobile Multimedia Tek Limited, a company incorporated at Apia, Samoa with limited liability |

Assets to be disposed of

The Seller is the holder of the KMMC Lease. The KMMC Lease, among others, entitles the holder the exclusive broadcast spectrum capacity use of the KMMC Station as well as its ancillary equipment and facilities, as well as the transfer right of the KMMC Station license granted by FCC in the US.

Consideration

The consideration to be paid by the Purchaser for the Disposal is US\$1,000,000. US\$500,000, being 50% of the consideration will be paid upon signing of the Agreement and the remaining US\$500,000 will be paid upon completion of the Agreement.

The consideration of the Agreement is determined upon arm's length negotiation between the Seller and the Purchaser with reference to various factors, including but not limited to (i) the factors stated in the section headed "Reasons for and Benefits of the Disposal" set out below; (ii) the financial performance of the KMMC Lease; (iii) deteriorating business environment due to pandemic and economic slowdown; and (iv) increasing difficulty in managing a US business with US-China trade and economic uncertainty.

Condition Precedent

Completion shall be conditional upon all necessary consents and approvals (including but not limited to the requirements stipulated under all laws, regulations and the Listing Rules) required to be obtained on the part of the Seller and the Purchaser respectively in respect of the Agreement having been obtained.

If the Condition Precedent set out above has not been satisfied on or before the date of Completion, the Agreement shall cease and terminate (save for certain miscellaneous provisions), and no party shall have any obligations and liabilities towards each other save for any prior breaches of the terms of the Agreement.

Completion

Subject to fulfilment of the Condition Precedent, Completion shall take place on the Completion Date.

INFORMATION OF THE PARTIES

Information of the Company

The principal activity of the Company is investment holding whilst its subsidiaries are mainly engaged in the provision of Convergent Mobile Multimedia Broadcasting, the next generation of convergent satellite-mobile multimedia infotainment broadcasting service, and the trading of printed circuit board materials.

Information of the Seller

The Seller is a company incorporated in the State of Delaware with limited liability and is owned as to 79% by the Company as at the date of this announcement. The principal activity of the Seller is operating LPTV spectrum leasing. The Seller is currently the holder of the time brokerage agreements/ancillary spectrum lease agreements and their respective asset purchase options for seven (7) LPTV stations, composed of television stations in Atlanta, Dallas, Houston, Miami, Los Angeles, Tampa and San Francisco.

Information of the Purchaser

The Purchaser has been the programmer leasing the KMMC Station channel capacity from Seller since 2016 and now desires to acquire the master KMMC Lease rights from Seller and all the entitlements pertaining to the KMMC Station through a lease assignment on the terms and conditions set forth herein in the Agreement.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are both Independent Third Parties and its connected persons (as defined in the Listing Rules). The Board hereby states that ultimate beneficial owner of the Seller is Mr. Wang Wei-Hsiu and Mr. Wu Jung-Huo.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Monetizing assets to strengthen liquidity for the Company's operations and business development

The Disposal will allow the Company to monetize a portion of its LPTV assets. The sales proceeds will improve the Company's liquidity to cope with various corporate needs, especially in time of economic uncertainty under the pandemic environment.

Given the above, the Board is of the view that the Disposal is a good opportunity for the Group to reduce risk exposure in the US market in times of political and economical uncertainty, and monetize assets to strengthen the Company's liquidity. Therefore, the Directors are of the opinion that the terms of the Agreement and the transactions contemplated thereunder are on normal commercial terms or better, and are fair and reasonable, and the Agreement and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole.

The Directors expect that there will be no significant net proceeds from the Disposal after deducting the expenses directly attributable thereto. The Directors consider that the Disposal represents an opportunity for the Group to reduce indebtedness.

The Directors are of the view that the terms under the Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

FINANCIAL INFORMATION

The unaudited financial information of the KMMC Lease for the year ended 31 December 2020 are as follows:

Book value as at 31 December 2020 (unaudited)	<u>US\$2,478,000</u>
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The Group expects to recognise an unaudited loss on disposal of intangible assets of approximately US\$1,478,000 from the Disposal, being the difference between (i) the consideration for the Agreement and (ii) the carrying amount of the lease assets as recorded in the intangible assets of the Group's accounts at Completion and the estimated expenses for the Disposal. The actual loss as a result of the Disposal to be recorded by the Group is subject to final audit to be performed by the Company's auditors.

IMPLICATIONS UNDER THE LISTING RULES

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Agreement is higher than 5% but lower than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Agreement”:	the assignment of lease agreement dated 3 March 2021 entered into between the Seller and the Purchaser in relation to the Disposal
“Board”:	the board of Directors
“Business Day”:	means a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business
“Company”	CMMB Vision Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal
“Completion Date”	the date of Completion, which means a day within three Business Days after the Condition Precedent under the paragraph headed “Condition Precedent” shall have been fulfilled, or such other date as the Seller and the Purchaser may agree in writing
“Condition Precedent”	condition precedent to the Completion as set out in the paragraph headed “Condition Precedent” of this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	US\$1,000,000, being the consideration for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	Assignment of KMMC Lease Agreement
“FCC”	Federal Communications Commission in the US
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Parties”	third party(ies) independent of and not connected with the Company and its connected persons
“KMMC Lease”	Time brokerage agreement/ancillary spectrum lease agreement and asset purchase option pertaining to the KMMC Station entered between the Seller and New York Spectrum Holdings Company LLC (“NYSHC”), as the lessor of the license and authorizations of KMMC Station
“KMMC Station”	KMMC-LD low-power television Station in San Francisco of the US
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lease Asset”	exclusive broadcast spectrum capacity use of the KMMC Station as well as its ancillary equipment and facilities, as well as the transfer right of the KMMC Station license granted by FCC
“LPTV”	Low-power television
“Purchaser”	Mobile Multimedia Tek Limited, a company incorporated at Apia, Samoa with limited liability
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Seller”	Chi Vision USA Corporation, a company incorporated in the State of Delaware with limited liability and a non-wholly owned subsidiary of the Company
“US”	The United States of America
“US\$”	United States Dollars, the lawful currency of the US
“%”	per cent

By order of the Board
CMMB Vision Holdings Limited

Wong Chau Chi
Chairman

Hong Kong, 3 March 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.