

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.



ASIA TELEVISION HOLDINGS LIMITED

亞洲電視控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 707)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO
THE PROPOSED ACQUISITION OF 30% EQUITY INTEREST
OF THE TARGET COMPANY**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The Board is pleased to announce that on 20 January 2023 (after trading hours), the Company and the Vendor entered into the MOU pursuant to which the Vendor proposed to sell and the Company proposed to acquire 30% of the equity interest in the Target Company. The MOU is not legally binding with regard to the Proposed Acquisition.

As at the date of this announcement, no definitive agreement in relation to the Proposed Acquisition has been entered into by the Group. As the Proposed Acquisition contemplated under the MOU may or may not materialize, shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE PROPOSED ACQUISITION

The Board is pleased to announce that on 20 January 2023 (after trading hours), the Company and the Vendor entered into the MOU pursuant to which the Vendor proposed to sell and the Company proposed to acquire 30% of the equity interest in the Target Company. The MOU is not legally binding with regard to the Proposed Acquisition.

Major terms of the MOU

Date

20 January 2023 (after trading hours)

Parties

- (i). The Company as the purchaser; and
- (ii). Yang Zi* (楊子) as the vendor.

To the best knowledge, information and belief of the Directors after making all reasonable enquiries, the Vendor is an Independent Third Party.

The Proposed Acquisition

Pursuant to the MOU, the Vendor proposed to sell and the Company proposed to acquire 30% of the equity interest in the Target Company. The MOU is not legally binding with regard to the Proposed Acquisition. The initial proposed amount of USD 5 million as the consideration of the Proposed Acquisition is subject to further negotiation, thorough due diligence review and the signing of a formal sale and purchase agreement between the parties on or before 18 June 2023.

Validity period

The MOU shall expire on 18 June 2023 or upon the execution of the formal agreement, whichever is earlier unless extended by agreement of the Vendors and the Company in writing.

The Company and the Vendor shall use their best endeavours to negotiate the terms of the Proposed Acquisition and enter into legally-binding equity transfer agreement during the negotiation period. In the event that a formal equity transfer agreement is not entered into between the Company and the Vendor on or before 18 June 2023, the MOU shall lapse automatically.

Due diligence review

Pursuant to the MOU, the Company (including its advisers or agents) shall be entitled to carry out due diligence review on the Target Company and its business (the “**Due Diligence Review**”). The Vendor shall provide to the Company, among other things, the detailed information, financial data and the relevant agreements and contracts of the projects of the Target Company. The Vendor shall provide assistance to the Company in connection with the Due Diligence Review, including but not limited to providing the information and documents as required by the Company, its agents or advisers and providing reply to the enquiries raised by the Company, its agents or advisers.

INFORMATION OF THE TARGET COMPANY

The Target Company is a limited liability company established in the PRC on 21 December 2022 with registered capital of RMB5 million. The Vendor holds 90% equity interest of the Target Company, which is an Independent Third Party.

According to the information provided by the Vendor, the Target Company is located in the Zhejiang Province, the PRC, and is engaged in the provision of blockchain-related technical services and Internet product development services.

REASONS FOR ENTERING INTO THE MOU

The Company is an investment holding company. The Group is principally engaged in four major business streams including (i) processing, printing and sales of finished fabrics and subcontracting services and the trading of fabric and clothing business; (ii) money lending business; (iii) securities investment and brokerage services business; and (iv) media, cultural and entertainment business.

The Company believes the Proposed Acquisition could help the Group to further enrich its business stream and tap into blockchain-related technical services.

GENERAL

The MOU is not legally binding on the parties in respect of the Proposed Acquisition and only sets out the initial understanding of the parties in relation to the Possible Acquisition. The Possible Acquisition is subject to further negotiations between the parties and the MOU may or may not lead to the entering into of a formal equity transfer agreement between the parties and the Proposed Acquisition contemplated thereunder may or may not be consummated.

Further announcement(s) will be made by the Company in respect of the Proposed Acquisition as and when required by the Listing Rules.

As at the date of this announcement, no definitive agreement in relation to the Proposed Acquisition has been entered into by the Group. As the Proposed Acquisition contemplated under the MOU may or may not materialize, shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, the following definitions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Asia Television Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 707)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Independent Third Party”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) which are third parties independent of the Company and its connected persons

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	a non-legally binding memorandum of understanding entered into between the Purchaser and the Vendor on 20 January 2023 in relation to the Proposed Acquisition
“Proposed Acquisition”	the proposed acquisition of 30% equity interest in the Target Company by the Purchaser from the Vendor, subject to the signing of a formal equity transfer agreement
“PRC”	the People’s Republic of China which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Hangzhou Yuanhou Tianxia Technology Company Limited* (杭州元猴天下科技有限公司), a limited liability company established in the PRC
“Vendor”	Yang Zi* (楊子)

By order of the board of
Asia Television Holdings Limited
Leong Wei Ping 梁瑋珩先生*
Executive Director

Hong Kong, 20 January 2023

As at the date of this announcement, the Board comprises Mr. Liu Minbin, Ms. Tang Po Yi, Mr. Leong Wei Ping 梁瑋珩先生, Mr. Sze Siu Bun, Mr. Chan Wai Kit and Ms. Sun Tingting as executive Directors, Ms. Han Xingxing, Mr. Li Yu and Mr. Lau Jing Yeung William as independent non-executive Directors.*

* For identification purposes only