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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The board (the "Board") of directors (the "Directors") of CMMB Vision Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2015.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	2015 US$	2014 US$
Revenue	4	**8,668,572**	5,810,184
Cost of sales		**(8,211,905)**	(5,480,516)
Gross profit		**456,667**	329,668
Interest income		**657**	115
Administrative expenses		**(1,972,897)**	(1,150,133)
Market development and promotion expenses		**(6,274,365)**	(391,741)
Other expenses	8	**(701,346)**	(1,277,128)
Change in fair value of derivative component of convertible notes	14	**–**	1,236,203
Elimination of derivative component upon redemption of convertible notes	14	**1,278,380**	–
Change in fair value of financial asset at fair value through profit or loss		**118,000**	–
Impairment loss recognised on goodwill	5	**(11,188,096)**	–
Impairment loss recognised on intangible assets	10	**(1,685,397)**	–
Finance costs	6	**(1,696,532)**	(865,802)
Loss before tax		**(21,664,929)**	(2,118,818)
Income tax expense	7	**(65,578)**	(87,310)
Loss for the year and total comprehensive expense	8	**(21,730,507)**	(2,206,128)
Loss for the year and total comprehensive expense attributable to:			
– Owners of the Company		**(21,404,695)**	(1,977,648)
– Non-controlling interests		**(325,812)**	(228,480)
		(21,730,507)	(2,206,128)
Loss per share			
Basic	9	**(0.0046)**	(0.0009)
Diluted		**(0.0046)**	(0.0010)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2015

	NOTES	**2015** **US$**	2014 US$
NON-CURRENT ASSETS			
Property, plant and equipment		**752,177**	29,638
Intangible assets	*10*	**106,588,449**	23,843,846
Deposits for the acquisition of intangible assets	*11*	**26,011,638**	38,116,910
Interest in associates		**–**	–
Goodwill	*5*	**–**	–
Financial asset at fair value through profit or loss		**2,118,000**	–
		135,470,264	61,990,394
CURRENT ASSETS			
Trade and other receivables	*12*	**2,495,153**	1,627,749
Amount due from a related company		**1,331,269**	–
Bank balances and cash		**10,411,897**	10,136,633
		14,238,319	11,764,382
CURRENT LIABILITIES			
Trade and other payables	*13*	**1,566,230**	2,067,791
Amount due to a related company		**–**	686,966
Tax payable		**34,888**	28,310
Convertible notes	*14*	**–**	6,478,217
		1,601,118	9,261,284
NET CURRENT ASSETS		**12,637,201**	2,503,098
TOTAL ASSETS LESS CURRENT LIABILITIES		**148,107,465**	64,493,492
NON-CURRENT LIABILITIES			
Convertible notes	*15*	**18,622,352**	–
		129,485,113	64,493,492
CAPITAL AND RESERVES			
Share capital	*16*	**80,673,266**	48,651,599
Share premium and reserves		**20,988,078**	5,314,210
Equity attributable to owners of the Company		**101,661,344**	53,965,809
Non-controlling interests		**27,823,769**	10,527,683
TOTAL EQUITY		**129,485,113**	64,493,492

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company acts as an investment holding company. The Company together with its subsidiaries (collectively the "Group") are principally engaged in the development and promotion of CMMB-based multimedia and interactive services via proprietary terrestrial infrastructure. In the People's Republic of China (the "PRC"), it has entered into a memorandum of understanding with New York Broadband II, LLC ("NYBB II"), a wholly-owned subsidiary of New York Broadband LLC ("NYBB"), a related party of which Mr. Wong Chau Chi ("Mr. Wong"), the chief executive officer of the Group and the executive director and shareholder of the Company, through its wholly-owned subsidiary, Chi Capital Holdings Ltd ("Chi Capital"), has certain equity interest, to acquire the AsiaStar mobile satellite capacity and assets, which has coverage over the PRC and Asia Pacific Region. In the United States of America ("USA"), the Group is operating a terrestrial UHF wireless television ("TV") network providing digital media and entertainment services to New York and other key markets in preparation to deploying a similar multimedia service platform in USA.

China Mobile Multimedia Broadcasting ("CMMB") is a digital mobile multimedia technology developed by and currently commercially deployed in the PRC under the State Administration of Radio, Film and Television ("SARFT"). It can deliver digital mobile TV and multimedia contents via both terrestrial and satellite networks directly to mobile and wireless devices such as smartphone, tablet, pocket TV, lap-tops, automobile digital receivers and personal media player that are equipped with a CMMB-enabled chipset. Its broadcast oriented delivery can render data contents to be received anytime anywhere with enormous scale and cost efficiency and encounter no traffic interruption or bandwidth squeeze typical of today's unicast-based cellular network. The signals can be received over 350 kilometer/hour without distortion. The technology is also known as sTiMi (Satellite and Terrestrial Interactive Mobile Infrastructure").

It is the plan of the Company to apply the CMMB technology to the existing TV broadcasting services so as to provide mobile TV services in the future.

The Group is also engaged in trading which relates to the procurement and distribution of printed circuit board ("PCB") materials.

The consolidated financial statements are presented in United States dollars, which is also the functional currency of the Group.

Reclassification of comparative information

Certain comparative financial information has been reclassified to conform to current year's presentation in the consolidated financial statements.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared on a going concern basis notwithstanding the fact that the Group incurred a loss of approximately US$21,731,000 during the year ended 31 December 2015. In the opinion of the directors of the Company (the "Directors"), the Group is able to continue as a going concern in the coming year taking into consideration the measures which include, but not limited to, the following:

(a) During the year ended 31 December 2015, the Company entered into subscription agreements with subscribers for the subscription of an aggregate 1,732,690,387 new shares of the Company for an aggregate consideration of approximately HK$336,924,000 (equivalent to approximately US$43,473,000). The proceeds from the shares issues are applied mainly for the development of satellite business and financing the Group's working capital.

(b) Subsequent to the year end date, the Group has proposed rights issue on the basis of one rights share for every one existing share at HK$0.1 per rights share and one bonus share for every one rights share taken up under the rights issue, to raise approximately HK$625,320,000 (equivalent to US$80,272,000) before expenses. All the relevant resolutions approving the rights issue and the issue of bonus shares were duly passed at the extraordinary general meeting on 15 March 2016 and the proposed rights issue and bonus shares issue are expected to be completed in April 2016. The Group plans to apply the proceeds from rights issue for the major capital expenditure for the deployment in China with details as set out in the prospectus of the Company dated 23 March 2016.

Based on the aforesaid factors, the Directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Applications of new and revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKFRS 9	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[1]
Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[1]
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle[1]

[1] *Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted*

[2] *Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted*

[3] *Effective date to be determined by HKICPA*

HKFRS 9 *Financial Instruments*

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Except for the potential early recognition of credit losses based on the expected loss model in relation to the Group's financial assets measured at amortised costs, the Directors anticipate that the application of HKFRS 9 in the future may not have other significant impact on amounts reported in respect of the Group's financial assets and financial liabilities based on an analysis of the Group's financial instruments as at 31 December 2015.

HKFRS 15 *Revenue from Contracts with Customers*

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Group is in the process of reviewing the potential impact on the application of HKFRS 15. It is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Except as described above, the Directors do not anticipate that the application of the other new and revised HKFRSs will have a material effect on the Group's consolidated financial statements.

4. SEGMENT INFORMATION

Information reported to the Company's executive directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

1. CMMB business – Provision of transmission and broadcasting of television programs.

2. Trading business – Trading of PCB materials.

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the year ended 31 December 2015

	CMMB business *US$*	**Trading business** *US$*	**Total** *US$*
Revenue			
Segment revenue	**612,193**	**8,056,379**	**8,668,572**
Segment (loss) profit	**(2,133,889)**	**381,602**	**(1,752,287)**
Impairment loss recognised on goodwill	**(11,188,096)**	**–**	**(11,188,096)**
Change in fair value of financial asset through profit or loss			**118,000**
Interest income			**657**
Market development and promotion expenses			**(6,274,365)**
Unallocated expenses			**(2,634,416)**
Loss for the year			**(21,730,507)**

For the year ended 31 December 2014

	CMMB business *US$*	Trading business *US$*	Total *US$*
Revenue			
Segment revenue	590,000	5,220,184	5,810,184
Segment profit	246,276	150,879	397,155
Interest income			115
Market development and promotion expenses			(391,741)
Unallocated expenses			(2,211,657)
Loss for the year			(2,206,128)

Segment assets

	2015	2014
	US$	*US$*
CMMB business	**135,829,819**	61,966,341
Trading business	**1,391,588**	1,596,172
Total segment assets	**137,221,407**	63,562,513
Unallocated		
– Property, plant and equipment	**650,130**	29,638
– Other receivables	**285,207**	31,577
– Amount due from a related company	**1,331,269**	–
– Bank balances and cash	**10,220,570**	10,131,048
Consolidated assets	**149,708,583**	73,754,776

Segment liabilities

	2015	2014
	US$	*US$*
CMMB business	**18,683,028**	6,478,217
Trading business	**852,667**	1,533,235
Total segment liabilities	**19,535,695**	8,011,452
Unallocated		
– Accruals	**608,798**	562,866
– Other payables	**78,977**	–
– Amount due to a related company	**–**	686,966
Consolidated liabilities	**20,223,470**	9,261,284

Revenue from major products and services

The following is the analysis of the Group's revenue from its major products and services:

	2015	2014
	US$	*US$*
Trading of PCB materials	**8,056,379**	5,220,184
Transmission and broadcasting of television programs	**612,193**	590,000
	8,668,572	5,810,184

Other segment information

	CMMB business	**Trading business**	**Total**
	US$	*US$*	*US$*
Amounts included in the measure of segment profit or loss or segment assets:			
Year ended 31 December 2015			
Depreciation	**12,756**	**–**	**12,756**
Elimination of derivative component upon redemption of convertible notes	**(1,278,380)**	**–**	**(1,278,380)**
Impairment loss recognised on intangible assets	**1,685,397**	**–**	**1,685,397**
Effective interest expense on convertible notes	**1,694,875**	**–**	**1,694,875**
Income tax expense	**59,000**	**6,578**	**65,578**
Year ended 31 December 2014			
Depreciation	–	2,489	2,489
Change in fair value of financial derivative instruments	(1,236,203)	–	(1,236,203)
Effective interest expense on convertible notes	865,802	–	865,802
Income tax expense	59,000	28,310	87,310

Geographical information

The Group principally operates in the USA (country of domicile of the operating subsidiary) for CMMB business and in Taiwan for Trading business. Nearly all non-current assets of the Group are located in the USA except for insignificant non-current assets (such as office equipment and motor vehicles in Hong Kong office) are located in Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations.

	Revenue from external customers	
	2015	2014
	US$	*US$*
USA	**612,193**	590,000
Taiwan	**8,056,379**	5,220,184
	8,668,572	5,810,184

5. BUSINESS COMBINATION

On 23 May 2014 and 14 October 2014, the Company entered into an agreement and a supplementary agreement respectively with Chi Capital, for the acquisition of 79% interest in Chi Vision USA Corporation ("Chi Vision"), a company established in Delaware, the USA with limited liability at the consideration of US$77,480,000, which was satisfied by (i) cash payment of US$34,180,000; (ii) issuance of convertible notes at the initial conversion price of HK$0.10 with a principal amount of US$38,000,000 and (iii) issuance of convertible notes at the initial conversion price of HK$0.473 with a principal amount of US$5,300,000 (the "Acquisition"). The Acquisition was completed on 22 July 2015.

Chi Vision holds the user and operating rights over free-to-air UHF spectrum TV stations inclusive of the spectrum usage, broadcasting rights and operating facilities in seven top US metropolitan cities which are Los Angeles, San Francisco, Dallas, Houston, Altanta, Miami and Tampa. The purpose of the Acquisition is to integrate and expand the Company's existing UHF network in New York with the additional key and strategic cities across the USA so as to create a much larger spectrum network to enable the delivery of free-to-air TV services initially, and next generation CMMB mobile multimedia service eventually, with greater audience coverage, operating efficiencies, and revenue opportunities.

The following table summarizes the fair value consideration paid for Chi Vision, the fair value of assets acquired and liabilities assumed as at 22 July 2015.

	US$
Consideration:	
Cash	1,221,804
Deposit for acquisition in prior year *(note 11)*	32,958,196
Convertible notes	43,300,000
Total consideration	77,480,000

Recognised fair value of identifiable assets acquired and liabilities assumed

	US$
Intangible assets *(note 10)*	84,430,000
Property, plant and equipment	114,803
Deposits	9,000
Amount due to a related company	(640,001)
Total identifiable net assets	83,913,802

Goodwill arising on acquisition

	US$
Consideration transferred	77,480,000
Plus: Non-controlling interest (21% in Chi Vision)	17,621,898
Less: Net asset acquired	(83,913,802)
Goodwill arising on acquisition	11,188,096

None of goodwill arising on this acquisition is expected to be deductible for tax purposes.

The management of the Group recognised an impairment loss of US$11,188,096 as the receivable amount is lower than the carrying amount of the cash generating unit in relation to goodwill arising on acquisition of Chi Vision.

Acquisition-related costs amounting to approximately US$123,300 have been excluded from the cost of acquisition and have been recognised as administrative expenses and other expenses in consolidated statement of profit or loss and other comprehensive income in the year ended 31 December 2015 and 2014.

Impact of acquisition on the results of the Group

Had this business combination been effected on 1 January 2015, the revenue of the Group would have been US$8,709,690, and the loss for the year would have been US$21,914,755.

The Directors of the Company consider these "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for the comparison in future periods.

6. FINANCE COSTS

	2015	2014
	US$	*US$*
Effective interest expense on convertible notes	**1,694,875**	865,802
Bank interest expense	**1,657**	–
	1,696,532	865,802

7. TAXATION

	2015	2014
	US$	*US$*
Current tax:		
Withholding tax on foreign income	**59,000**	59,000
Taiwan Income Tax	**6,578**	28,310
	65,578	87,310

Withholding tax on foreign income represented PRC withholding tax on income from a PRC customer at 10% of the gross invoice amount.

Hong Kong Profits Tax is calculated at 16.5% for both years. No provision for Hong Kong Profits Tax has been made as the Group has no assessable profit arising in Hong Kong for both years.

Taiwan Income Tax is calculated at a prevailing rate of 17% for both years. Provision for Taiwan Income Tax has been made as the Group has assessable profit arising in Taiwan for both years.

Taxation arising in the USA is calculated at a prevailing rate at 38% for the both years. No provision for Federal Income Tax and State and Local Income Tax has been made as the Group did not have any assessable profit arising in the USA for both years.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries of the Company is 25% from 1 January 2008 onward. No provision for PRC income tax has been made in the consolidated financial statements as all of the PRC subsidiaries did not have taxable income for both years.

8. LOSS FOR THE YEAR

	2015	2014
	US$	*US$*
Loss for the year has been arrived at after charging:		
Staff costs, including directors' remuneration		
– Salaries and allowances	**1,162,794**	869,171
– Retirement benefit scheme contributions	**18,420**	1,935
Total staff costs	**1,181,214**	871,106
Included in other expenses:		
– Exchange loss, net	**13,779**	27,903
– Equity-settled share-based payment expenses to consultants	**–**	600,878
– Legal and professional fee	**544,205**	510,312
Auditor's remuneration	**154,206**	193,548
Depreciation of property, plant and equipment	**47,980**	22,247

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company for the year is based on the following data:

	2015	2014
	US$	*US$*
Loss		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	**(21,404,695)**	(1,977,648)
Effect of dilutive potential ordinary shares:		
– Interest on convertible notes	**N/A**	865,802
– Change in fair value of derivative components of convertible notes	**N/A**	(1,236,203)
Loss for the year attributable to owners of the Company for the purpose of dilutive loss per share	**(21,404,695)**	(2,348,049)

	2015	2014
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**4,644,942,581**	2,216,470,378
Effect of dilutive potential ordinary shares:		
– Convertible notes	**N/A**	167,100,715
– Share options	**N/A**	N/A
Weighted average number of ordinary shares for the purpose of dilutive loss per share	**4,644,942,581**	2,383,571,093

The computation of the diluted loss per share for the year ended 31 December 2015 does not assume the conversion of the Company's outstanding convertible notes and share options since their exercise would result in a decrease in loss per share.

The computation of the diluted loss per share for the year ended 31 December 2014 did not assume the conversion of the Company's outstanding share options since their exercise would result in a decrease in loss per share.

10. INTANGIBLE ASSETS

	Contract acquisition costs/spectrum usage rights *US$*	Licensing rights *US$*	Total *US$*
COST			
At 1 January 2014 and 31 December 2014	24,507,593	1,532,893	26,040,486
Acquired through acquisition of a subsidiary *(note 5)*	84,430,000	–	84,430,000
At 31 December 2015	108,937,593	1,532,893	110,470,486
ACCUMULATED AMORTISATION/ IMPAIRMENT			
At 1 January 2014 and 31 December 2014	663,747	1,532,893	2,196,640
Impairment provided for the year *(note a)*	1,685,397	–	1,685,397
At 31 December 2015	2,349,144	1,532,893	3,882,037
CARRYING VALUE			
At 31 December 2015	106,588,449	–	106,588,449
At 31 December 2014	23,843,846	–	23,843,846

(a) At the year ended 31 December 2015, the Group's intangible assets were valued by Peak Vision Appraisals Limited, an independent valuer not related to the Group. The management conducted an impairment assessment on the spectrum usage rights. The Directors determined there is impairment loss of US$1,685,397 for the newly acquired spectrum usage right in seven US cities recognised by reference to the value in use only on 31 December 2015 as the FVLCTS is not available in the current year. The Directors determined that there is no impairments of the spectrum usage right in New York.

The basis of the recoverable amounts of the above spectrum usage rights and their underlying assumptions are summarized below:

The recoverable amounts of the spectrum usage rights have been determined based as a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 3-year period and discount rate of 11.38%. The spectrum usage rights' cash flow beyond the 3-year period are extrapolated using a steady 2.08% p.a. growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which included budgeted sales and gross margin, such estimation is based on the past performance and management's expectations.

In 2014, The FVLCTS of the spectrum usage rights was determined based on the Comparable Transaction Method. Comparable transactions were selected based on the transaction date, designated use of the spectrum and bandwidth of the spectrum. Furthermore, price paid per MHz per person under coverage of the area was adopted as the valuation multiple to arrive at the FVLCTS of the Company's spectrum usage rights. The Directors are of the opinion that the key assumptions are consistent with external sources of information and believe that any reasonable change in any of these assumptions would not cause the aggregate carrying amount of the spectrum usage rights to exceed the aggregate recoverable amount of the spectrum usage rights. So, no impairment was resulted for the year ended 31 December 2014.

The Group's intangible assets are categorised into level 3 fair value hierarchy by inputs for the assets or liabilities that are not based on observable market data. There were no transfers into or out of Level 3 during the year.

11. DEPOSITS FOR THE ACQUISITION OF INTANGIBLE ASSETS

Refundable deposits paid for the acquisition of intangible assets as at 31 December 2015 and 2014 as follows:

	2015	2014
	US$	*US$*
TV stations and spectrum in USA *(note 5)*	**–**	32,958,196
Satellite and related assets *(note a)*	**26,011,638**	5,158,714
	26,011,638	38,116,910

a) On 9 September 2014, the Company entered into a memorandum of understanding with NYBB II, a wholly-owned subsidiary of NYBB, to acquire the capacity of the current geosynchronous L-band satellite known as AsiaStar and its two follow-on co-location new generation satellites in order to provide mobile multimedia and broadband internet services in the PRC and other Asian markets. The memorandum of understanding also gives the Company the exclusivity to develop businesses in the region by using this satellite platform. The AsiaStar satellite located at the 105 degrees East orbital slot, with its associated L-band spectrum rights, is the only mobile satellite capable of covering the all of Asia, including the PRC, Japan, Korea, Southeast Asia, Indonesia, and India, and has been delivering audio, video and data services in the region. The capacity acquisition will give the Company a ubiquitous Asia-wide mobile platform to offer next generation media and internet services.

On 27 October 2015, the Company together with its partner in the United States, NYBB, entered into an agreement with the Boeing Company for construction of the next-generation high-power mobile L-band satellite named "Silkwave-1".

NYBB is procuring Silkwave-1 and will exclusively lease its capacity to the Company for providing a comprehensive suite of internet broadband media and information services to Asian mobile customers. Silkwave-1 is expected to launch in the first quarter of 2018, complementing and eventually replacing the current AsiaStar satellite and assuming its 105 East orbital slot and 1452-1492 Mhz L-band spectrum to continue operation. Silkwave-1 will create the world's largest and most powerful mobile broadcast network for Asia, including China and countries along the Asia One-Belt-One-Road (Southeast Asia, India, Pakistan, and Central Asia) and one of the most historically significant routes for commerce in the world known as the "Silk Road." Over 4 billion people in the regions will be able to access the modern internet and digital media services with devices such as smart phones, tablets, car mounts and dongles.

The acquisition has not completed as at the date of issuance of the consolidated financial statements. As at 31 December 2015, the Group has paid a total amount of approximately US$26,011,638 (2014: US$5,158,714) for the proposed acquisition of satellite and related assets.

12. TRADE AND OTHER RECEIVABLES

	2015	2014
	US$	*US$*
Trade receivables	**1,187,446**	1,596,172
Other receivables and deposits	**1,145,588**	6,791
Prepayments	**162,119**	24,786
Total trade and other receivables	**2,495,153**	1,627,749

The aging analysis of the trade receivables, presented based on invoice date, which approximated the respective revenue recognition dates as at the end of the reporting period are as follows:

	2015	2014
	US$	*US$*
0 – 30 days	**356,107**	894,368
31 – 60 days	**447,877**	625,740
61 – 90 days	**41,164**	11,864
91 – 120 days	**42,582**	64,200
121 – 180 days	**299,716**	–
	1,187,446	1,596,172

13. TRADE AND OTHER PAYABLES

The aging analysis of the trade payables as at the end of the reporting period, presented based on invoice date, are as follows:

	2015	2014
	US$	*US$*
0 – 90 days	**780,210**	1,428,275
91 – 180 days	**15,733**	54,720
Over 180 days	**–**	571
	795,943	1,483,566
Accruals	**740,470**	584,225
Other payables	**29,817**	–
Total trade and other payables	**1,566,230**	2,067,791

14. CONVERTIBLE NOTES DUE 2015

On 14 September 2012, the Company issued Hong Kong dollar denominated convertible notes with a principal amount of approximately HK$45,786,000 (approximately US$5,910,000) ("Convertible Notes") to Chi Capital as part of the consideration for the acquisition of CMMB Vision USA. The maturity date of the Convertible Notes is 13 September 2015 ("CN Maturity Date") which is 3 years from the date of issue of the Convertible Notes. The Convertible Notes are not interest bearing and mature on CN Maturity Date at the principal amount. The Convertible Notes are convertible into shares at any time after the issuance up to, but excluding, the close of business on the CN Maturity Date at the conversion price of HK$0.33, subject to anti-dilutive adjustments. The initial number of ordinary shares of the Company issuable upon conversion is 138,744,230 shares, which represent 23.57% of the total number of ordinary shares of the Company issued and outstanding as of the issue date of the Convertible Notes on a fully diluted basis.

On 31 July 2014, the Company completed the Rights Issue. Pursuant to terms and conditions of the Convertible Notes, the conversion price of and the number of conversion shares to be issued upon exercise of the conversion rights attached to the outstanding Convertible Notes are adjusted because of Rights Issue to HK$0.274 and 167,100,715 shares, respectively.

The movement of the Convertible Note debt component and derivative components are shown as follows:

	Debt component	**Derivative components**	**Total**
	US$	*US$*	*US$*
At 1 January 2014	4,333,491	2,515,127	6,848,618
Effective interest expenses	865,802	–	865,802
Change in fair value of convertible notes	–	(1,236,203)	(1,236,203)
At 31 December 2014	5,199,293	1,278,924	6,478,217
Effective interest expenses	708,224	–	708,224
Redemption	(5,907,517)	–	(5,907,517)
Elimination of derivative component upon redemption of convertible notes	–	(1,278,380)	(1,278,380)
Exchange difference	–	(544)	(544)
At 31 December 2015	–	–	–

15. CONVERTIBLE NOTES DUE 2021

As stated in note 5, on 22 July 2015, the Company issued US dollar denominated convertible notes with a principal amount of US$38,000,000 ("2021 CN") and US$5,300,000 ("LACN") respectively (collectively as "Convertible Notes due 2021") to Chi Capital as part of the consideration for the acquisition of Chi Vision. The maturity date of the Convertible Notes due 2021 is 20 July 2021 ("2021 CN Maturity Date") which is 6 years from the date of issue of the Convertible Notes due 2021. The Convertible Notes due 2021 are not interest bearing and mature on 2021 CN Maturity Date at the principal amount. The 2021 CN and LACN are convertible into shares at any time after the issuance up to, but excluding, the close of business on the 2021 CN Maturity Date at the conversion price of HK$0.10 and HK$0.473 respectively, subject to anti-dilutive adjustments. The initial number of ordinary shares of the Company issuable upon conversion is 2,948,800,000 shares and 86,951,374 shares respectively, which represent 50.90% and 2.01% of the total number of ordinary shares of the Company issued and outstanding as of the issue date of the Convertible Notes due 2021 on a fully diluted basis.

The Convertible Notes due 2021 contain debt components and equity components. The equity components are classified as equity instruments as it will be settled by an exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments on the basis that the Convertible Notes due 2021 are denominated in US dollar, a functional currency of the Company.

On initial recognition, the debt components were recognised at fair value, calculated based on the present value of the principal amount over the expected life of the Convertible Notes due 2021. In subsequent periods, the debt components are carried at amortised cost using the effective interest method. The effective interest rate of the debt component is 10.85% and 11.35% per annum respectively. The equity components are measured by deducting the amount of the debt component from the fair value of the compound instruments at the date of issue and is not subsequently remeasured.

The movement of the Convertible Notes due 2021 debt component is shown as follows:

	2021 CN Debt Component *US$*	**LACN Debt Component** *US$*	**Total** *US$*
Issue on acquisition of a subsidiary at 22 July 2015	19,588,000	2,732,000	22,320,000
Effective interest expenses	849,032	137,619	986,651
Conversion to shares	(4,684,299)	–	(4,684,299)
At 31 December 2015	15,752,733	2,869,619	18,622,352

16. SHARE CAPITAL

	Number of shares	Nominal value *HK$*	Shown as *US$*
Authorised:			
Ordinary shares of HK$0.1 each			
At 31 December 2014	5,000,000,000	500,000,000	
Addition	45,000,000,000	4,500,000,000	
At 31 December 2015	50,000,000,000	5,000,000,000	
Issued and fully paid:			
Ordinary shares of HK$0.1 each			
At 1 January 2014	860,175,745	86,017,575	11,099,042
Issue of new shares	61,035,149	6,103,515	787,550
Rights issue	1,842,421,788	184,242,179	23,773,185
Bonus issue	921,210,894	92,121,089	11,886,592
Exercise of share options	85,655,314	8,565,531	1,105,230
At 31 December 2014	3,770,498,890	377,049,889	48,651,599
Issue of new shares *(note i)*	1,732,690,387	173,269,039	22,356,718
Issue of shares on partial conversion of 2021 CN *(note ii)*	750,000,000	75,000,000	9,664,949
At 31 December 2015	6,253,189,277	625,318,928	80,673,266

Notes:

(i) On 5 January 2015, the Company entered into subscription agreements with subscribers for the subscription of an aggregate 184,242,178 new shares for an aggregate consideration of approximately HK$48,820,000 at the subscription price of HK$0.265 per subscription share. The subscription was completed on 12 January 2015. The proceeds were used to provide general working capital for the Company and the funding of the considerations for its investments and acquisitions.

On 29 June 2015, the Company entered into subscription agreements with subscribers for the subscription of an aggregate 730,615,382 new shares for an aggregate consideration of approximately HK$189,960,000 at the subscription price of HK$0.26 per subscription share. The subscription was completed on 8 July 2015. The proceeds were used to provide general working capital for the Company and the funding of the considerations for its investments and acquisitions.

On 7 October 2015, the Company entered into subscription agreements with subscribers for the subscription of an aggregate 60,332,830 new shares for an aggregate consideration of approximately HK$7,240,000 at the subscription price of HK$0.12 per subscription share. The subscription was completed on 14 October 2015. The proceeds were used to provide general working capital for the Company.

On 21 December 2015, the Company entered into subscription agreements with subscribers for the subscription of an aggregate 757,499,997 new shares for an aggregate consideration of approximately HK$90,900,000 at the subscription price of HK$0.12 per subscription share. The subscription was completed on 30 December 2015. The proceeds were used to provide general working capital for the Company.

(ii) On 23 July 2015 and 30 July 2015, the Company issued 300,000,000 and 450,000,000 shares respectively pursuant to the partial conversion of 2021 CN.

These new shares rank pari passu with the existing shares in issue in all aspects.

17. EVENTS AFTER THE REPORTING PERIOD

(i) On 29 January 2016, the Group entered into an Equity Transfer Agreement with Global Broadcasting Media Company ("GMG"), pursuant to which the Group will transfer 51% of the equity interest in 國廣中播傳媒技術有限公司 GMG-CMMB Media Technology Co. Ltd ("GMG-CMMB"), a wholly-owned PRC subsidiary, at a consideration of RMB1, to GMG according to the terms and subject to the conditions set forth in the Equity Transfer Agreement. The Agreement has effectively formalized GMG-CMMB as a joint venture company between the Company and GMG for operating satellite mobile multimedia in the PRC.

(ii) All the resolutions approving the rights issue and the issue of bonus shares were duly passed at the extraordinary general meeting on 15 March 2016 and the proposed rights issue and bonus shares issue are expected to be completed in April 2016.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group has provided a guarantee for an aggregate amount of US$1,551,000 in respect of an upgrade project undertaken by its equity investment in Taiwan (31 December 2014: Nil).

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2015.

MANAGEMENT DISCUSSION AND ANALYSIS FINANCIAL REVIEW

For the financial year ended 31 December 2015, the Group recorded loss for the year of approximately US$21,731,000, which includes loss for the year attributable to owners of the Company and non-controlling interests amounted to approximately US$21,405,000 and US$326,000 respectively. Loss per share was approximately US0.46 cents (2014: US0.09 cents) and net assets per share of the Group was approximately US1.6 cents (2014: US1.43 cents).

During the year ended 31 December 2015, the Group is engaged in provision of transmission and broadcasting of television programs ("CMMB Business") and trading of printed circuit board materials ("Trading Business") with revenue of approximately US$8,669,000 (2014: US$5,810,000). The increase in revenue of approximately US$2,859,000 or 49% was solely contributed by the Trading Business.

Cost of sales mainly includes cost of goods sold, staff costs, operating lease payments. The increase in cost of sales of approximately US$2,731,000 or 50% was due to the increase in cost of goods sold, of approximately US$2,642,000 and increase in operating lease payments of approximately US$129,000 for the year ended 31 December 2015.

Gross profit has increased from approximately US$330,000 in year 2014 to approximately US$457,000 in year 2015, increased by 39% which was arisen from the increase of revenue from both CMMB Business and Trading Business.

Administrative expenses for the year ended 31 December 2015 increased by approximately 1.7 times to approximately US$1,973,000 as compared to that of approximately US$1,150,000 for the year ended 31 December 2014 which was mainly due to the increase in staff costs and office rent.

Market development and promotion expenses increased by 16 times to approximately US$6,274,000 (2014: US$392,000) which is mainly due to the increase in consultancy services fees for business development and travelling expenses for attending business conferences and meetings.

Other expenses for the year ended 31 December 2015 amounted to approximately US$701,000 (2014: US$1,277,000) which mainly represents legal and professional fees of US$544,000 (2014: US$510,000) for the placement of new shares and other potential investment and acquisitions and share-based payment expense of nil (2014: US$601,000).

Elimination upon redemption of convertible notes for the year ended 31 December 2015 amounted to approximately US$1,278,000.

The goodwill amounted to approximately US$11,188,000 represented the difference between the fair value of cash paid and convertible notes issued and the fair value of net assets acquired upon the acquisition of Chi Vision. The management of the Group determined an impairment of such goodwill as the recoverable amount is lower than its carrying amount of the cash generating units arising from the acquisition of Chi Vision. Hence, an impairment on goodwill is recognised immediately.

Finance costs of the Group for the year ended 31 December 2015 amounted to approximately US$1,697,000 (2014: US$866,000) which was mainly the effective interest expense on convertible notes.

LIQUIDITY AND FINANCIAL RESOURCES

The total equity of the Group increased to approximately US$129,485,000 as at 31 December 2015 as compared with US$64,493,000 in 2014 which was mainly derived from the proceeds from share placing and issue of convertible notes during the year ended 31 December 2015. Current assets amounted to approximately US$14,238,000 (2014: US$11,764,000) comprising bank balances and cash of approximately US$10,412,000 (2014: US$10,137,000), trade and other receivables of approximately US$2,495,000 (2014: US$1,628,000) and amount due from a related company of approximately US$1,331,000 (2014: Nil). Current liabilities amounted to approximately US$1,601,000 (2014: US$9,261,000) representing trade and other payables of approximately US$1,566,000 (2014: US$2,068,000) and tax payable of US$35,000 (2014: US$28,000).

As at 31 December 2015, the Group's current ratio was 8.9 (2014: 1.3) and the gearing ratio (a ratio of total loans to total assets) was 12.4% (2014: 8.8%). Other than convertible notes, the Group did not have any bank borrowings as at 31 December 2015 (2014: Nil).

During the year ended 31 December 2015, the Company entered into subscription agreements with the subscribers for the subscription of an aggregate 1,732,690,387 new shares of the Company for an aggregate consideration of approximately HK$336,924,000 (equivalent to approximately US$43,473,000). The Company also issued 750,000,000 conversion shares pursuant to the conversion of Convertible Notes due 2021 for an aggregate consideration of approximately HK$75,000,000 (equivalent to approximately US$9,665,000). The proceeds were used to provide additional working capital of the Group.

FOREIGN CURRENCY EXCHANGE RISK

Most of the Group's assets, liabilities and transactions are denominated in United States dollar. The Group did not make any other hedging arrangement in the two years ended 31 December 2015.

SEGMENTAL INFORMATION

The segmental information of the Group is set out in note 4 to this announcement.

EMPLOYEE BENEFITS

The average number of employees of the Group for the year ended 31 December 2015 was approximately 40 (2014: 20). The Group's staff costs (including Directors' fees and emoluments) for the year ended 31 December 2015 amounted to approximately US$1,181,000 (2014: US$871,000). The remuneration policy of the Group is reviewed annually and is in line with the prevailing market practice.

BUSINESS/OPERATION REVIEW

The principal activity of the Company is investment holdings whilst its subsidiaries are mainly engaged in provision of CMMB services and trading business. The Company has been pursuing opportunities arising from China's new policy in support of 3-Way Network Convergence (television ("TV"), telecom and internet) and, in particular, has been focused on developing mobile TV and interactive multimedia business based on CMMB standards. The Company's goal is to develop into a mobile TV multimedia company, providing CMMB-based services, solutions, and innovations in China and in other markets around the world.

PROSPECTS

The Group is developing to be a leading next generation mobile multimedia service provider. It addresses the rapidly growing demand for mobile and wireless video and internet content downloads with a very low cost and efficient solution based on the China-developed CMMB multicast technology. Consumers with untethered CMMB-enabled devices such as handsets, netbooks, MP4s, dongles, GPS, and LED panels can receive virtually unlimited and instant mobile video and Internet downloads anytime anywhere deliverable through a ubiquitous terrestrial and satellite network.

Developed by the State Administration of Radio, Film, and Television ("SARFT") of the People's Republic of China (the "PRC") with collaboration from the United States of America, CMMB is one of the most advanced digital broadcasting (multicast) technologies invented in the 21 Century that enables mobile TV delivery and data delivery through Internet by the Internet Protocol ("IP data"). It is Orthogonal frequency-division multiplexing ("OFDM") based, and can readily interact with other OFDM technologies such as third generation mobile technology 3G, fourth generation mobile technology ("4G") based on

Institute of Electrical and Electronics Engineers standards 802.16(e) ("WiMax") and 4G Long Term Evolution ("4G LTE"). The key feature of CMMB is that it can deliver streaming live mobile video and push-IP data in a massive quantity and instant speed simultaneously to an unlimited number of mobile users anytime anywhere at very low cost. CMMB has been widely deployed over 330 Chinese cities with the support of world's largest mobile network and supply-chain ecosystem.

The Group's main business will apply the CMMB technology to address the growing bottleneck caused by video and Internet data content distribution, which can no longer be accommodated by the conventional unicast – based mobile communication technologies. In China, its goal is to become a leading CMMB service provider. Globally, its goal is to promote and develop CMMB by deploying and operating CMMB-based networks and services in different countries and create a global multimedia franchise.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the largest and the five largest customers of the Group accounted for approximately 86% and 100% of the Group's revenue, respectively.

At no time during the year did a Director, an associate of a Director or any shareholders (which to the knowledge of the Directors had more than 5% interests in the Company) had an interest in any of the Group's five largest customers or suppliers.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 to the Listing Rules. The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

The Company has complied with the requirements of the Code Provisions in the CG Code throughout the year ended 31 December 2015 except that the Company has been deviated from the Code Provision A.2.1 of the CG Code, as the roles of Chairman and chief executive officer of the Company were not separate. With effect from 19 May 2008, Mr. Wong Chau Chi ("Mr. Wong") had been re-designated as the Chairman and Mr. Wong also remains as the chief executive officer of the Company. According to the Code Provision A.2.1 of the CG Code, the roles of a chairman and a chief executive officer should be separate and should not be performed by the same individual. Given Mr. Wong has had extensive experience in the business of the Group and has performed satisfactorily since his joining of the Company in 2007, particularly in soliciting for possible new business opportunities and deducing the overall strategic plan for the future development of the Company, the Board considers that it would be beneficial to the Group if Mr. Wong is also in charge of overseeing the Company's operations as the Chairman. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. The Board will regularly review the effectiveness of this arrangement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a revised code of conduct regarding securities transactions by Directors on terms no less exacting than the required standards under the revised Model Code for Securities Transactions by Directors of Listed Issues ("Model Code") as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code throughout the year ended 31 December 2015 and all the Directors confirmed that they have fully complied with the required standard set out in the Model Code and the code of conduct throughout the year ended 31 December 2015.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Director, namely Mr. Wang Wei-Lin, Mr. Li Shan and Dr. Li Jun, an annual confirmation of their independence pursuant to the Rule 3.13 of the Listing Rules. Based on such confirmations, the Board considers all of the independent non-executive Directors are independent.

The Company has complied with the provisions of 3.10(1) and 3.10(2) of the Listing Rules that sufficient number of independent non-executive Directors have been appointed and that at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

AUDIT COMMITTEE

An Audit Committee was established to review and supervise the Group's financial reporting process and internal controls. The Company has adopted a revised written terms of reference with reference to the corresponding changes made to the code provisions of the CG Code. The Audit Committee currently comprises Mr. Li Shan and Dr. Li Jun, being independent non-executive Directors and Mr. Chou Tsan-Hsiung, a non-executive Director. Currently, Mr. Li Shan is the chairman of the Audit Committee.

The Company has complied with the provision of Rule 3.21 of the Listing Rules that the Company's audit committee comprises a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

The Audit Committee has reviewed the accounting policies adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2015.

REMUNERATION COMMITTEE

A Remuneration Committee was established to formulate and make recommendation to the Board on the Group's policy and structure for all remuneration of the Directors and senior management of the Group.

The Remuneration Committee currently comprises the three independent non-executive Directors, namely Mr. Wang Wei-Lin, Mr. Li Shan and Dr. Li Jun and one non-executive Director, Mr. Chou Tsan-Hsiung. Currently, Mr. Wang Wei-Lin is the chairman of the Remuneration Committee.

SCOPE OF WORK OF HLM CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in the Preliminary Announcement have been agreed by the Group's auditor, HLM CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year.

The work performed by HLM CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLM CPA Limited on the Preliminary Announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT

This announcement is required to be published on the website of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and at the website of the Company at irasia. The annual report containing all the information required under Appendix 16 to the Listing Rules will be published on the Stock Exchange's website in due course.

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

Hong Kong, 29 March 2016

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