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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)

- (1) PROPOSED RIGHTS ISSUE IN THE PROPORTION OF
TWO RIGHTS SHARES FOR EVERY ONE EXISTING SHARE
HELD ON THE RECORD DATE AT HK\$0.15 PER RIGHTS SHARE**
**(2) PROPOSED BONUS ISSUE OF ONE BONUS SHARE FOR
EVERY TWO RIGHTS SHARES TAKEN UP UNDER THE RIGHT ISSUE**
(3) APPLICATION FOR WHITEWASH WAIVER
(4) CHANGE OF BOARD LOT SIZE
AND
(5) RESUMPTION OF TRADING

RIGHTS ISSUE AND BONUS ISSUE

The Company proposed to raise not less than approximately HK\$276.4 million and not more than approximately HK\$291.3 million before expenses by way of issue of not less than 1,842,421,788 and not more than 1,941,946,228 new Shares pursuant to the Rights Issue on the basis of two Rights Shares for every one Share in issue on the Record Date at the Subscription Price of HK\$0.15 per Rights Share. It is also proposed to allot and issue Shares on the basis of one Bonus Shares for every two Rights Shares taken up under the Rights Issue. On the basis of provisional allotment of two Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date and one Bonus Shares for every two Rights Shares taken up under the Right Issue, no fractional entitlements to the Rights Shares under the Rights Issue will arise. Fractional entitlements to the Bonus Shares will not be allotted and will not be issued. The net proceeds from the Rights Issue after deducting related expenses are estimated to be approximately HK\$262.5 million, assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date.

As at the date of this announcement, Chi Capital, which was interested in 155,857,838 Shares representing approximately 16.92% of the existing issued Shares, has irrevocably undertaken to the Company and (as separate undertakings) with President Securities that:

- (a) to subscribe or procure the subscription of the 311,715,676 Rights Shares which will constitute the provisional allotment of Rights Shares in respect of the Shares beneficially owned by Chi Capital pursuant to the terms of the Rights Issue;
- (b) that the Shares referred to in paragraph (a) above will remain registered in the name of Chi Capital at the close of business on the Record Date as they are on the date hereof;
- (c) to procure that the acceptances in full in respect of the aforesaid Rights Shares provisionally allotted to Chi Capital and/or its nominees shall be lodged with the Share Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the Acceptance Date or such later date as the Company may agree; and
- (d) Chi Capital shall not, and shall procure that (so far as reasonably possible) companies controlled by Chi Capital do not, dispose of or transfer any Shares, or any interests therein from the date hereof up to and including two Business Day after the Acceptance Date; and;
- (e) Chi Capital shall not convert the whole nor any part of the Convertible Notes into Shares at any time prior to the completion of the Rights Issue.

In the event that Chi Capital should fail to comply with the undertakings given above, Chi Capital irrevocably authorise the Company in its discretion to treat this undertaking as its acceptance of such of the Rights Shares provisionally allotted to Chi Capital on the terms of the Prospectus Documents (save as regards the time for acceptance and payment), to allot and issue the same in the name of Chi Capital and to procure the registration of the same in the name of Chi Capital.

The Rights Issue will be fully underwritten by the Underwriters on the terms and subject to the conditions set out in the Underwriting Agreement.

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Share Registrar at Shops 1712—1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on 22 May 2014. It is expected that the last day of dealings in Shares on a cum-rights basis is 19 May 2014 and Shares will be dealt with on an ex-rights basis from 20 May 2014.

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR THE WHITEWASH WAIVER

As at the date of this announcement, Chi Capital was holding in an aggregate of 155,857,838 Shares, representing approximately 16.92% of the total issued share capital of the Company. Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board, is the sole shareholder and director of Chi Capital.

Pursuant to the Underwriting Agreement, the Underwriters has conditionally agreed to underwrite on the following basis: (i) firstly, out of all the Untaken Shares Chi Capital shall take up to 843,706,112 Untaken Shares (being the Chi Capital Portion); and (ii) if there is any balance of the Untaken Shares after deducting the Chi Capital Portion, up to 687,000,000 Rights Shares shall be taken up by President Securities; (iii) Chi Capital shall take up any remaining balance of the Untaken Shares after deducting the Chi Capital Portion and the portion of the Untaken Shares taken up by President Securities, if any. Assuming full exercise of the Share Options on or before the Record Date and no acceptance by the Qualifying Shareholders (except Chi Capital) under the Rights Issue, Chi Capital will be required to take up 1,254,946,228 Underwritten Shares (including the 311,715,676 Rights Shares which will be provisionally allotted to Chi Capital as the registered owner of 155,857,838 Shares, or its nominee, pursuant to the Rights Issue and which Chi Capital has agreed to accept or procure to accept pursuant to the relevant Irrevocable Undertaking) and the total shareholding of the Concert Group upon completion of the Rights Issue and the Bonus Issue would amount to approximately 52.48% of the then issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares and the Bonus Shares. Under such circumstance, the Chi Capital would be required to make a mandatory general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Chi Capital) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

Chi Capital will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be conditional upon, among other things, the approval of the Independent Shareholders by way of poll, where the Concert Group and those who are involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver are required to abstain from voting. It is a condition precedent of the Underwriting Agreement and completion of the Rights Issue that the Whitewash Waiver is granted by the Executive. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed.

LISTING RULES IMPLICATIONS

Chi Capital, being a company wholly-owned by Mr. Wong Chau Chi, is an associate of the Mr. Wong Chau Chi under the Listing Rules. Mr. Wong Chau Chi, being a Director, is a connected person of the Company, and hence Chi Capital, being an associate of Mr. Wong Chau Chi, is also a connected person of the Company under the Listing Rules. The Underwriting Agreement constitute a connected transaction for the Company under the Listing Rules and, as it is not exempt pursuant to Rule 14A.31(3) of the Listing Rules, it is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Company has not made arrangements for the Qualifying Shareholders to apply for the Rights Shares in excess of their entitlements under the Rights Issue in accordance with Rule 7.21(1), and that all the Untaken Shares will be underwritten by the Underwriter, Independent Shareholders' approval will be required pursuant to Rule 7.21(2) of the Listing Rules in respect of such arrangement under the Rights Issue.

In addition, as the Rights Issue would increase the issued share capital of the Company by more than 50%, the Rights Issue is made conditional on approval by the Independent Shareholders in accordance with Rule 7.19(6)(a) of the Listing Rules.

Chi Capital and Mr. Wong Chau Chi and their associates and Shareholders who have a material interest in the Underwriting Agreement and/or the Rights Issue will abstain from voting.

PROPOSED CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lots of 5,000 Shares each. The Board proposes to change the board lot size for trading in the shares of the Company on the Stock Exchange from 5,000 Shares to 20,000 Shares upon the Rights Issue becoming effective.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended from 1:00 p.m. on 4 April 2014 pending release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the securities of the Company with effect from 9:00 a.m. on 10 April 2014.

GENERAL

The EGM will be convened for the Independent Shareholders to consider, and, if thought fit, to approve, among other things, the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver.

A circular containing, among other matters, further details of (i) the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver; and (iv) a notice of the EGM, shall be despatched within 21 days of the date of this announcement, or such later date as the Executive may approve.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional on the Underwriting Agreement having become unconditional and not having been terminated (see the sub-section headed “Termination of the Underwriting Agreement” in this announcement). The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” in this announcement. In particular, it is subject to the approval of the Whitewash Waiver by the Independent Shareholders at the EGM and the Whitewash Waiver having been granted by the Executive. It is expected that Shares will be dealt with on an ex-rights basis from 20 May 2014 and Rights Shares will be dealt with in their nil-paid form from 28 May 2014 to 5 June 2014. If the Underwriters exercise such right, the Rights Issue will not proceed.

Any buying or selling of Shares or Rights Shares between the date of this announcement and the date the Rights Issue becomes unconditional is at an investor’s own risk.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in Shares and nil-paid Rights Shares, and if they are in any doubt about their position, they should consult their professional advisers.

RIGHTS ISSUE WITH THE BONUS ISSUE

The Company proposed to raise not less than approximately HK\$276.4 million and not more than approximately HK\$291.3 million before expenses by way of issue of not less than 1,842,421,788 and not more than 1,941,946,228 new Shares pursuant to the Rights Issue on the basis of two Rights Shares for every one Share in issue on the Record Date at the Subscription Price of HK\$0.15 per Rights Share. It is also proposed to allot and issue Shares on the basis of one Bonus Share for every two Rights Shares taken up under the Rights Issue. Particulars of the Rights Issue and the Bonus Issue are as follows.

Issue statistics

Basis of the Rights Issue : two (2) Rights Shares for every one (1) existing Share any Qualifying Holder holds at the close of business on the Record Date together with one (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue

Subscription Price	: HK\$0.15 per Rights Share
Number of Shares in issue as at the date of this announcement	: 921,210,894 Shares
Number of Rights Shares	: not less than 1,842,421,788 (assuming no further issue of new Shares on or before the Record Date) and not more than 1,941,946,228 new Shares (assuming all the outstanding Share Options are exercised and no other issue of new Shares on or before the Record Date) to be issued pursuant to the Rights Issue on the basis of two (2) Rights Shares for every one (1) Share in issue on the Record Date
Number of Bonus Shares	: not less than 921,210,894 and not more than 970,973,114 new Shares to be issued pursuant to the Bonus Issue on the basis of one (1) Bonus Share for every two (2) Rights Shares taken up under the Rights Issue

As at the date of this announcement, save as (i) the Share Options granted under the Pre-Listing Share Option Scheme of the Company entitling the holders to subscribe for a total of 49,762,220 Shares upon full exercise of such options; and (ii) the Convertible Notes issued by the Company to Chi Capital which will require the Company to allot and issue 138,744,230 Shares upon conversion in full, the Company had no outstanding warrants, options, derivatives or securities convertible into or exchangeable for Shares.

Assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date, the Rights Shares to be issued pursuant to the terms of the Rights Issue and the Bonus Shares to be issued pursuant to the terms of the Bonus Issue together represent 300% of the existing issued share capital of the Company and 75% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue and the Bonus Issue.

Subscription Price

The subscription price of HK\$0.15 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or when a transferee of nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 34.2% to the closing price of HK\$0.228 per Share as quoted on the Stock Exchange on 3 April 2014, being the last trading day prior to the date of the Underwriting Agreement;
- (ii) a discount of approximately 34.5% to the average closing price of approximately HK\$0.229 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 3 April 2014;
- (iii) a premium of approximately 13.6% to the theoretical ex-rights price of approximately HK\$0.132 per Share based on the closing price as quoted on the Stock Exchange on 3 April.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriters with reference to the recent market prices of Shares and market conditions. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date. The Directors (excluding the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) consider the Subscription Price to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Rights Shares and the Bonus Shares

The Rights Shares and the Bonus Shares, when allotted and fully paid, will rank pari passu in all respects among themselves and with the Shares then in issue. Holders of fully-paid Rights Shares and the Bonus Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of the allotment of the Rights Shares and the Bonus Shares, both in their fully-paid forms.

Qualifying Shareholders

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Share Registrar at Shops 1712—1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on 21 May 2014. It is expected that the last day of dealings in Shares on a cum-rights basis is 19 May 2014 and Shares will be dealt with on an ex-rights basis from 20 May 2014.

The Company will post on the Posting Date copies of the Prospectus Documents to the Qualifying Holders and post copies of the Prospectus marked “For information only” together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date.

Excluded Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. There were a total of eight Overseas Shareholders located in Belize, the PRC, Taiwan and the British Virgin Islands as at 31 March 2014. The Company will make enquiries in compliance with the Listing Rules. If the Directors, based on results of such enquiries made, consider that it is necessary or expedient to exclude such Overseas Shareholders from the Rights Issue on account of the legal restrictions under the laws or requirements of the relevant regulatory body or stock exchange in the places where such Overseas Shareholders reside, the Rights Issue will not be available to such Overseas Shareholders. The results of the enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus.

The Company shall provisionally allot Rights Shares which would be provisionally allotted to the Excluded Shareholders had they been Qualifying Shareholders to a person nominated by the Company in nil-paid form and shall by no later than the close of business on the Posting Date advise the Underwriters of the Rights Shares which have been so allotted.

Fractional entitlement to the Rights Shares and the Bonus Shares

On the basis of provisional allotment of two Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise. Fractional entitlements to the Bonus Shares will not be allotted or issued.

No application for excess Rights Shares

The Qualifying Shareholders will not be entitled to subscribe for any Rights Shares in excess of their respective entitlements. Considering that the Rights Issue will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, the Company considers that if application for excess Rights Shares is arranged, the Company would require to put in additional effort and costs to administer the excess Rights Shares application procedures. Accordingly, the Board has decided that no excess Rights Shares will be offered to the Qualifying Shareholders and any Untaken Shares will

be underwritten by the Underwriters. As the related administration costs would be lowered, the Directors consider that the absence of application for excess Rights Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Application for listings

The Company will apply to the Listing Committee for the listings of, and permission to deal in, (i) the Rights Shares in both nil-paid and fully-paid forms; and (ii) the Bonus Shares. The nil-paid Rights Shares and the Bonus Shares shall have the same board lot size as the Shares, i.e. 5,000 Shares in one board lot.

It is expected that the Rights Shares will be dealt with in their nil-paid form from 28 May 2014 to 5 June 2014. Dealings in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and any other applicable fees and charges in Hong Kong.

Subject to the grant of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms and the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms and the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both nil-paid and fully-paid forms and the commencement date of dealings in the Bonus Shares, respectively, on the Stock Exchange or such other dates 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made to enable the Rights Shares in both their nil-paid and fully-paid forms and the Bonus Shares to be admitted into CCASS.

Share certificates for the Rights Issue and the Bonus Issue

Subject to the fulfilment of the condition of the Rights Issue, share certificates for all fully-paid Rights Shares and Bonus Shares are expected to be posted to those entitled thereto by 17 June 2014 by ordinary post at their own risk.

Condition of the Rights Issue and the Bonus Issue

The Rights Issue and the Bonus Issue are conditional upon the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms or otherwise. The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” of this announcement.

If the conditions of the Underwriting Agreement which include but not limited to, the granting of the Whitewash Waiver to Chi Capital by the Executive, are not fulfilled, the Rights Issue and the Bonus Issue will not proceed.

Irrevocable undertaking from Chi Capital

As at the date of this announcement, Chi Capital, which was interested in 155,857,838 Shares representing approximately 16.92% of the existing issued Shares, has irrevocably undertaken to the Company and (as separate undertakings) with President Securities that:

- (a) to subscribe or procure the subscription of the 311,715,676 Rights Shares which will constitute the provisional allotment of Rights Shares in respect of the Shares beneficially owned by Chi Capital pursuant to the terms of the Rights Issue;
- (b) that the Shares referred to in paragraph (a) above will remain registered in the name of Chi Capital at the close of business on the Record Date as they are on the date hereof;
- (c) to procure that the acceptances in full in respect of the aforesaid Rights Shares provisionally allotted to Chi Capital and/or its nominees shall be lodged with the Share Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the Acceptance Date or such later date as the Company may agree;
- (d) Chi Capital shall not, and shall procure that (so far as reasonably possible) companies controlled by Chi Capital do not, dispose of or transfer any Shares, or any interests therein from the date hereof up to and including two Business Day after the Acceptance Date; and
- (e) Chi Capital shall not convert the whole nor any part of the Convertible Notes into Shares at any time prior to the completion of the Rights Issue.

In the event that Chi Capital should fail to comply with the undertakings given above, Chi Capital irrevocably authorise the Company in its discretion to treat this undertaking as Chi Capital's acceptance of such of the Rights Shares provisionally allotted to Chi Capital on the terms of the Prospectus Documents (save as regards the time for acceptance and payment), to allot and issue the same in the name of Chi Capital and to procure the registration of the same in the name of Chi Capital.

The Underwriting Agreement

Date: 4 April 2014

Parties: (i) the Company; and
(ii) President Securities and Chi Capital (collectively, as the Underwriters)

Number of the Underwritten Shares: The Underwriters have conditionally and severally agreed pursuant to the Underwriting Agreement to underwrite the Underwritten Shares, being not less than 1,842,421,788 and not more than 1,941,946,228 Rights Shares, at the Subscription Price, being the total number of Rights Shares under the Rights Issue excluding 311,715,676 Rights Shares undertaken to be subscribed by Chi Capital pursuant to the irrevocable undertaking mentioned above.

The Underwriters will subscribe or procure subscribers for the Untaken Shares on the following basis:

- (i) firstly, out of all the Untaken Shares Chi Capital shall take up to 843,706,112 Untaken Shares, equivalent to HK\$126,555,916.80 (which is the Chi Capital Portion); and
- (ii) if there is any balance of the Untaken Shares after deducting the Chi Capital Portion, up to 687,000,000 Rights Shares, equivalent to HK\$103,050,000 (the “**President Securities Commitment**”), shall be taken up by President Securities.

President Securities shall not be required to take up any Rights Shares in excess of the President Securities Commitment in any event;

- (iii) Chi Capital shall take up any remaining balance of the Untaken Shares after deducting the Chi Capital Portion and the portion of the Untaken Shares taken up by President Securities pursuant to paragraph (ii) above, if any.

Fees, commission and expenses:

In consideration of the Underwriters providing underwriting services under the Underwriting Agreement to the Company in relation to the Rights Issue, and subject to the due performance by the Underwriters of their obligations under the Underwriting Agreement, irrespective of whether or not the Underwriters are called upon to subscribe or procure subscribers for any of the Underwritten Shares, the Company shall pay to President Securities, an aggregate underwriting commission at the rate of 2.5% of the aggregate Subscription Price of the President Securities Commitment. Chi Capital will not be entitled to any underwriting commission or fees.

The Company shall pay all costs, charges and expenses (if any) documented in writing and properly incurred of or incidental to the Rights Issue and the arrangements hereby contemplated including financial advisory and documentation fees, printing and translation charges, the fees of the Company's auditors, solicitors and registrars, and the fees payable to the Stock Exchange, but excluding sub-underwriting fees and expenses relating to the sub-underwriting (if any).

The Underwriters may deduct the full amount of the underwriting commission payable pursuant to the Underwriting Agreement and any costs payable pursuant to the Underwriting Agreement from the amount of any subscription moneys payable by it pursuant to the Underwriting Agreement or, in the event of the Underwriters not being called upon to subscribe or procure subscribers pursuant to the Underwriting Agreement and/or the amount of such subscription moneys payable by it being less than the full amount due to it, such costs, fees and expenses, or the balance thereof, shall be due and payable on the next Business Day following the Settlement Date or on such other date as may be agreed between the Company and the Underwriters.

The commission rate was determined after arm's length negotiation between the Company and the Underwriters by reference to, among other things, the size of the Rights Issue and the current and expected market condition. In view of these factors and the arrangement and the terms of the Underwriting Agreement are on normal commercial terms, the Directors (excluding the independent non-executive Directors whose views are expressed in the letter from the Independent Board Committee) consider the terms of the Underwriting Agreement including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Underwriting Agreement

The obligations of the Underwriters under the Underwriting Agreement are conditional on:

- (a) the passing at a duly convened general meeting of the shareholders of the Company held on or before the Posting Date of the necessary resolutions of the Independent Shareholders, who are permitted to vote under the Listing Rules and the Takeovers Code, approving the Rights Issue, the Bonus Issue, the Whitewash Waiver, the Underwriting Agreement and the transactions contemplated thereunder;
- (b) the granting of the Whitewash Waiver to Chi Capital by the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s);
- (c) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified by two Directors or their duly authorised agents in compliance with section 342C of the Companies (WUMP) Ordinance (and all other documents required to be attached thereto), and otherwise complying with the requirements of the Companies (WUMP) Ordinance and the Listing Rules;
- (d) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Holders and the posting of copies of the Prospectus marked "For information only" together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;

- (e) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement;
- (f) compliance with and performance of all the undertakings and obligations of Chi Capital the Irrevocable Undertaking;
- (g) the Listing Committee of the Stock Exchange agreeing to grant listings of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any) by no later than the Posting Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listings and permission on or before 4:00 p.m. on the Settlement Date.

In the event that the above conditions (other than the condition (g)) have not been satisfied and/or waived in whole or in part by the Underwriters on or before the Posting Date or in the event that the condition (g) has not been satisfied on or before 4:00 p.m. on the Settlement Date (or in each case, such later date as the Underwriters and the Company may agree), all liabilities of the parties hereto shall cease and terminate and neither party shall have any claim against the other save that the Company shall indemnify the Underwriters for all reasonable costs, fees and other out of pocket expenses (excluding sub underwriting fees and related expenses) that have been properly incurred and documented in writing by the Underwriters in connection with the underwriting of the Underwritten Shares. The Company shall use all reasonable endeavours to procure the fulfilment of the above conditions (to the extent it is within its power to do so), and shall do all things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Rights Issue and the arrangements contemplated by the Underwriting Agreement.

Termination of the Underwriting Agreement

The Underwriters may by notice in writing to the Company given served at any time prior to 6:00 p.m. on the Settlement Date or such later time as the Company and the Underwriters may agree, terminate the Underwriting Agreement if any of the following grounds of termination happens:

- (a) in the sole and absolute opinion of the Underwriters, the success of the Rights Issue would be materially and adversely affected by:
 - (1) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of

any nature whatsoever which may in the sole and absolute opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or

- (2) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not *ejusdem generis* with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (b) any material breach of any of the representations, warranties or undertakings under the Underwriting Agreement comes to the knowledge of the Underwriters;
- (c) any adverse change in market conditions in Hong Kong or the PRC (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and absolute opinion of the Underwriters is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (d) there is any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of the Underwriters will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (e) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (f) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not *ejusdem generis* with any of the foregoing; or

(g) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue.

Upon the giving of notice pursuant the Underwriting Agreement, all obligations of the Underwriters under the Underwriting Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriters such fees as may then be agreed by the parties hereto. If the Underwriters exercise such right, the Rights Issue will not proceed.

Changes in the shareholding structure of the Company

Set out below is the shareholding structures of the Company (i) as at the Date of this announcement; and (ii) immediately after completion of the Rights Issue and Bonus Issue under various scenarios:

Scenario 1

Assuming no further issue of new Shares on or before the Record Date:

	(i) As at the date of this announcement		(ii) Immediately upon completion of the Rights Issue and Bonus Issue			
	<i>No. of Shares</i>	<i>Approx. %</i>	(a) assuming full acceptance by all Qualifying Shareholders under the Rights Issue		(b) assuming full acceptance by Chi Capital but nil acceptance by other Qualifying Shareholders under the Rights Issue	
<i>No. of Shares</i>			<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>	
Concert Group (<i>Note 1</i>)	155,857,838	16.92	623,431,352	16.92	1,888,990,520	51.26
Subscribers to be procured by President Securities (<i>Note 2</i>)	—	—	—	—	1,030,500,000	27.97
Other public Shareholders	<u>765,353,056</u>	<u>83.08</u>	<u>3,061,412,224</u>	<u>83.08</u>	<u>765,353,056</u>	<u>20.77</u>
Total	<u>921,210,894</u>	<u>100.00</u>	<u>3,684,843,576</u>	<u>100.00</u>	<u>3,684,843,576</u>	<u>100.00</u>

Scenario 2

Assuming all the outstanding Share Options are exercised and no other issue of new Shares on or before on or before the Record Date:

	(i) As at the date of this announcement		(ii) Assuming all the outstanding Share Options are exercised before the Record Date		(iii) Immediately upon completion of the Rights Issue and Bonus Issue			
					(a) assuming full acceptance by all Qualifying Shareholders under the Rights Issue		(b) assuming full acceptance by Chi Capital but nil acceptance by other Qualifying Shareholders under the Rights Issue	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Concert Group (<i>Note 1</i>)	155,857,838	16.92	155,857,838	16.05	623,431,352	16.05	2,038,277,180	52.48
Subscribers to be procured by President Securities (<i>Note 2</i>)	—	—	—	—	—	—	1,030,500,000	26.53
Other public Shareholders	<u>765,353,056</u>	<u>83.08</u>	<u>815,115,276</u>	<u>83.95</u>	<u>3,260,461,104</u>	<u>83.95</u>	<u>815,115,276</u>	<u>20.99</u>
Total	<u>921,210,894</u>	<u>100.00</u>	<u>970,973,114</u>	<u>100.00</u>	<u>3,883,892,456</u>	<u>100.00</u>	<u>3,883,892,456</u>	<u>100.00</u>

Note:

- These Shares are registered under the name of Chi Capital, the sole shareholder and sole director of which is Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board. Under the SFO, Mr. Wong Chau Chi was deemed to be interested in all the Shares held by Chi Capital. Please refer to the sub-section headed “Information on Chi Capital” below.
- President Securities has undertaken that in case it is called upon by the Company to perform its obligations pursuant to the Underwriting Agreement, it will not subscribe on its own account for the Rights Shares and will, as agent, procure subscribers who are independent third parties not connected or associated with the Directors, substantial Shareholders or chief executive of the Company and its subsidiaries, or any of their respective associates and are not acting in concert with the Concert Group.

President Securities has undertaken that in case it is called upon by the Company to perform its obligations pursuant to the Underwriting Agreement, it will not subscribe on its own account for the Rights Shares and will, as agent, procure subscribers who are independent third parties not connected or associated with the Directors, substantial Shareholders or chief executive of the Company and its subsidiaries, or any of their respective associates and are not acting in concert with the Concert Group. Accordingly, it is not expected that President Securities will hold any Rights

Shares of the Company up to a level will lead it to become a substantial shareholder and a connected person of the Company. Accordingly, it is expected that the Company will continue to comply with the public float requirements under Rule 8.08 of the Listing Rules upon completion of the Rights Issue.

President Securities will, before the despatch of the Circular, enter into sub-underwriting agreements with sub-underwriters, who are Independent Third Parties and not acting in concert with Chi Capital, as necessary to prevent a breach of the public float requirements under Rule 8.08 of the Listing Rules upon completion of the Rights Issue, the details of which will be disclosed in the Circular.

Expected timetable for the Rights Issue

The expected timetable for the Rights Issue is set out below:

Despatch of circular with notice of EGM.....	29 April 2014
Latest date for return of proxy form of the EGM.....	4:00 p.m. on 14 May 2014
Expected time of the EGM.....	4:00 p.m. on 16 May 2014
Announcement of poll results of the EGM	16 May 2014
Last day of dealing in Shares on a cum-rights basis	19 May 2014
First day of dealing in Shares on an ex-rights basis.....	20 May 2014
Latest time for lodging transfer of Shares in order to qualify for the Rights Issue	4:30 p.m. on 21 May 2014
Register of members of the Company closes	22 May 2014
Record Date.....	22 May 2014
Register of members of the Company re-opens	23 May 2014
Despatch of the Prospectus Documents	26 May 2014
First day of dealings in nil-paid Rights Shares	28 May 2014
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on 30 May 2014

First day for free exchange of existing share certificates in board lot of 5,000 Shares each for new share certificates in board lot of 20,000 Shares each	30 May 2014
Last day of dealings in nil-paid Rights Shares.....	5 June 2014
Latest time for acceptance of, and payment for the Rights Shares	4:00 p.m. on 10 June 2014
Rights Issue expected to become unconditional	6:00 p.m. on 13 June 2014
Last day of trading of Shares in board lot of 5,000 Shares in the original counter	13 June 2014
Announcement of results of acceptance of the Rights Issue	16 June 2014
Effective date of change of board lot size	16 June 2014
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	16 June 2014
Despatch of certificates for fully-paid Rights Shares on or before	17 June 2014
Commencement of dealings in fully-paid Rights Shares	18 June 2014
The last day for the designated broker to provide matching services for odd lots of Shares	7 July 2014
Last day for free exchange of existing share certificates in board lot of 5,000 Shares each for new share certificates in board lot of 20,000 Shares each	9 July 2014

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. Dates or deadlines specified in this announcement for events in the above timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company. Any changes to the anticipated timetable for the Rights Issue, if required, will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

Reasons for the Rights Issue and Bonus Issue and use of proceeds

The Group is principally engaged in provision of China Mobile Multimedia Broadcasting and agency services and in the process of developing itself into a mobile multimedia service and technology provide, with a view to deliver low-cost and mass-market digital television and multimedia data services to mobile devices.

Assuming that none of the Share Options are exercised and there will not be any further issue of new Shares or repurchase of Shares on or before the Record Date, the gross proceeds from the Rights Issue are expected to be approximately HK\$276.4 million before expenses. The net proceeds from the Rights Issue after deducting related expenses are estimated to be approximately HK\$269.5 million. The net subscription price per Rights Share is expected to be approximately HK\$0.146. The proceeds of the Rights Issue will be used in the following manners:

Approximately HK\$215.6 million or 80% of the net proceeds will be used for acquisition of television stations. The Company has previously acquired the capacities of four ultra-high frequency (“UHF”) television stations in New York, which have been used to broadcast digital television in partnership with CCTV from China and develop a trial network for flagship CMMB services in the US. The Company intends to eventually expand such services across major geographic markets in the US in order to achieve national presence and economies of scale. As a result, the Company has been looking for acquisition opportunities and thus far has entered memoranda of understanding to acquire UHF television station capacities in Atlanta, Miami, Tampa, Dallas, Houston, San Francisco and Los Angeles, as disclosed in the announcements of the Company dated 5 September 2013 and 3 October 2013, and 15 November 2013. The relevant member(s) of the Group will enter into definitive agreements in respect of the abovementioned acquisitions of television stations with the relevant vendors within one month from the date of this announcement and before the despatch of the Circular. The Company is also in discussion with other global wireless spectrum holders for potential acquisitions.

Approximately HK\$24.3 million or 9% of the net proceeds will be used for the deployment of the Group’s New York network. The Company has been licensed to deploy a CMMB trial network in New York with the four UHF television stations, which, upon its successful deployment, will be operated for commercial production and will serve as a prototype for deployment in other markets.

Approximately HK\$13.5 million or 5% of the net proceeds will be used for research and development in mobile multimedia technologies, including NGB-W and the next generation NGBW-LTE convergence network.

Approximately HK\$16.2 million, or 6% of the net proceeds will be used for the Group's working capital and general corporate purposes.

In the event that any Share Options are exercised on or before the Record Date resulting in an increase in the net proceeds from the Rights Issue, our intended uses of proceeds set out above will be increased on a pro-rata basis.

The Directors (excluding the independent non-executive Directors who will form their views after consulting the independent financial adviser to be appointed by the Independent Board Committee) consider that the terms and conditions of the Rights Issue and the Bonus Issue to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional on the Underwriting Agreement having become unconditional and not having been terminated (see the sub-section headed "Termination of the Underwriting Agreement" above). The conditions to the Underwriting Agreement are set out in the sub-section headed "Conditions of the Underwriting Agreement" above. In particular, it is subject to the approval of the Whitewash Waiver by the Independent Shareholders at the EGM and the Whitewash Waiver having been granted by the Executive. It is expected that Shares will be dealt with on an ex-rights basis from 20 May 2014 and Rights Shares will be dealt with in their nil-paid form from 28 May 2014 to 5 June 2014. If the Underwriters exercise such right, the Rights Issue will not proceed.

Any buying or selling of Shares or Rights Shares between the date of this announcement and the date the Rights Issue becomes unconditional is at an investor's own risk.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Set out below is the fund raising activities of the Company during the past twelve months immediately prior to the date of this announcement:

Date of announcement	Event	Net Proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
30 July 2013	Placing of 20,000,000 new Shares under general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 31 May 2013	Approximately HK\$9.2 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> – Administrative and Operation: HK\$2 million – New York CMMB Network Deployment: HK\$3 million – New wireless spectrum and network acquisition: HK\$4.2 million
15 August 2013	Placing of 52,000,000 new Shares under general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 31 May 2013	Approximately HK\$24.1 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> – Administrative and Operations: HK\$3 million – New York CMMB Network Deployment: HK\$4 million – New wireless spectrum and network acquisition: HK\$17.1 million

11 September 2013	Placing of 55,945,957 new Shares under general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 31 May 2013	Approximately HK\$29.0 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> – Administrative and Operation: HK\$3 million – New York CMMB Network Deployment: HK\$5 million – New wireless spectrum and network acquisition: HK\$21 million
6 December 2013	Placing of 92,500,000 new Shares under general mandate granted by the Shareholders at the extraordinary general meeting of the Company held on 25 November 2013	Approximately HK\$36.9 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> – Administrative and operations: HK\$8.9 million – New business and network development: HK\$28 million
3 March 2014 and 4 March 2014	Placing of 61,035,149 new Shares under general mandate granted by the Shareholders at the extraordinary general meeting of the Company held on 25 November 2013	Approximately HK\$15.77 million	General working capital for operation and business development of the Group	<ul style="list-style-type: none"> – Administrative and Operations: HK\$15.77 million

Save as abovementioned, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS

Chi Capital, being a company wholly-owned by Mr. Wong Chau Chi, is an associate of the Mr. Wong Chau Chi under the Listing Rules. Mr. Wong Chau Chi, being a Director, is a connected person of the Company, and hence Chi Capital, being an associate of Mr. Wong Chau Chi, is also a connected person of the Company under the Listing Rules. The Underwriting Agreement constitute a connected transaction for the Company under the Listing Rules and, as it is not exempt pursuant to Rule 14A.31(3) of the Listing Rules, it is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Company has not made arrangements for the Qualifying Shareholders to apply for the Rights Shares in excess of their entitlements under the Rights Issue in accordance with Rule 7.21(1), and that all the Untaken Shares will be underwritten by the Underwriter, Independent Shareholders' approval will be required pursuant to Rule 7.21(2) of the Listing Rules in respect of such arrangement under the Rights Issue.

In addition, as the Rights Issue would increase the issued share capital of the Company by more than 50%, the Rights Issue is made conditional on approval by the Independent Shareholders in accordance with Rule 7.19(6)(a) of the Listing Rules.

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR THE WHITEWASH WAIVER

As at the date of this announcement, Chi Capital was holding in an aggregate of 155,857,838 Shares, representing approximately 16.92% of the total issued share capital of the Company. Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board, is the sole shareholder and director of Chi Capital.

Pursuant to the Underwriting Agreement, the Underwriters has conditionally agreed to underwrite on the following basis: (i) firstly, out of all the Untaken Shares Chi Capital shall take up to 843,706,112 Untaken Shares, equivalent to HK\$126,555,916.80 (which is the Chi Capital Portion); (ii) if there is any balance of the Untaken Shares after deducting the Chi Capital Portion, up to 687,000,000 Rights Shares shall be taken up by President Securities; (iii) Chi Capital shall take up any remaining balance of the Untaken Shares after deducting the Chi Capital Portion and the portion of the Untaken Shares taken up by President Securities pursuant to (ii) above, if any. Assuming full exercise of the Share Options on or before the Record Date and no acceptance by the Qualifying Shareholders (except Chi Capital)

under the Rights Issue, Chi Capital will be required to take up 1,254,946,228 Underwritten Shares (including the 311,715,676 Rights Shares which will be provisionally allotted to Chi Capital as the registered owner of 155,857,838 Shares, or its nominee, pursuant to the Rights Issue and which Chi Capital has agreed to accept or procure to accept pursuant to the relevant Irrevocable Undertaking) and the total shareholding of the Concert Group upon completion of the Rights Issue and the Bonus Issue would amount to approximately 52.48% of the then issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares and the Bonus Shares. Under such circumstance, the Chi Capital would be required to make a mandatory general offer for all the issued Shares (other than those already owned or agreed to be acquired by the Chi Capital) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

Chi Capital will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be conditional upon, among other things, the approval of the Independent Shareholders by way of poll at the EGM in which the Concert Group and those who are involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver are required to abstain from voting. It is a condition precedent of the Underwriting Agreement and completion of the Rights Issue that the Whitewash Waiver is granted by the Executive. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed.

CHANGE OF BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lot of 5,000 Shares. Based on the closing price of HK\$0.228 per Share (equivalent to a theoretical ex-right price of approximately HK\$0.132 per Share) as at 3 April 2014, upon the allotment and issue of the Rights Shares and the Bonus Shares, the value of each board lot of 5,000 Shares is estimated to be approximately HK\$600. It is proposed that after the Rights Issue becoming effective, the board lot size of the shares of the Company shall be changed from 5,000 to 20,000 so that the estimated market value per board lot of the Shares will be approximately HK\$2,640 (based on the theoretical ex-right price of approximately HK\$0.132 per Share as at the date of this announcement). The Board considers that the change in board lot size will increase the value of each board lot of the shares of the Company, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company.

In order to facilitate the trading of odd lots (if any) of Shares arising from the change of board lot size, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from 16 June 2014 to 7 July 2014 (both dates inclusive). Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of 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.

THE EGM

The EGM will be convened for the Independent Shareholders to consider, and, if thought fit, to approve, among other things, the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver.

Chi Capital and Mr. Wong Chau Chi and their associates and Shareholders who have a material interest in the Underwriting Agreement, the Rights Issue and/or the Whitewash Waiver will abstain from voting at the EGM.

INFORMATION ON CHI CAPITAL AND THE CONCERT GROUP

Chi Capital is a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Wong Chau Chi, the chief executive officer of the Company, the executive Director and the chairman of the Board. The principal business activity of Chi Capital is investment holdings.

As at the date of this announcement, the Concert Group has not received any irrevocable commitment to vote for or against the proposed resolution approving the Whitewash Waiver at the EGM. Save for the transactions contemplated under the Underwriting Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) under Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or shares of Chi Capital and which might be material to the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver.

At the date of this announcement, other than approximately 16.92% interests in the issued share capital of the Company and the Convertible Notes owned by Chi Capital, the Concert Group does not hold or has control or direction over any other shares, rights over shares, convertible securities, warrants or options of the Company, or any outstanding derivative in respect of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

None of the members of the Concert Group has any dealings in any securities of the Company in the six-month period preceding the date of this announcement.

As at the date of this announcement, save for the Underwriting Agreement, there is no arrangement or agreement to which the Concert Group is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Rights Issue (other than those listed under the section headed “Conditions of the Underwriting Agreement”), the Bonus Issue, the Underwriting Agreement and/or the Whitewash Waiver. There are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Concert Group has borrowed or lent as at the date of this announcement.

INFORMATION ON PRESIDENT SECURITIES

President Securities is a company incorporated in Hong Kong, licensed by the SFC to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO. President Securities and its ultimate beneficial owners are Independent Third Parties.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended from 1:00 p.m. on 4 April 2014 pending release of this announcement. The Company has applied to the Stock Exchange for the resumption of trading in the securities of the Company with effect from 9:00 a.m. on 10 April 2014.

GENERAL

The Circular containing, among other matters, further details of (i) the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver and as to voting at the EGM; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver and as to voting at the EGM; and (iv) a notice of the EGM, shall be despatched within 21 days of the date of this announcement, or such later date as the Executive may approve.

Upon passing of the necessary resolution by the Independent Shareholders at the EGM approving the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver, the Company will post on the Posting Date copies of the Prospectus Documents to the Qualifying Holders and post copies of the Prospectus marked “For information only” together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date.

DEFINITIONS

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

- “Acceptance Date” : 9 June 2014, being the date on which the Rights shares are accepted and paid for being a date falling not later than 15 days after the Posting Date (or such other date as the Underwriters and the Company may agree from time to time in writing)
- “acting in concert” : has the meaning ascribed to it under the Takeovers Code
- “Board” : the board of Directors
- “Bonus Issue” : the proposed issue of Bonus Shares on the basis of one (1) Bonus Share for every two (2) Rights Shares taken up under the Right Issue
- “Bonus Share(s)” means the Share(s) to be allotted and issued pursuant to the Bonus Issue;
- “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
- “Chi Capital” : Chi Capital Holdings Limited, a company incorporated under the laws of British Virgin Islands with limited liability, which is wholly owned by Mr. Wong Chau Chi, the chief executive officer, an executive Director of the Company and the chairman of the Board, being a substantial Shareholder holding 155,857,838 Shares as at the date of this announcement

- “Chi Capital Portion” : up to 844,002,445 Untaken Shares which Chi Capital has agreed to take up
- “Circular” : a circular containing, among other matters, further details of (i) the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM to be despatched by the Company
- “Company” : CMMB Vision Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
- “Companies Ordinance” : the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, with effect from 3 March 2014, as amended and supplemented from time to time
- “Companies (WUMP) Ordinance” : the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong, with effect from 3 March 2014
- “Concert Group” : Chi Capital and parties acting in concert with it
- “connected person(s)” : has the meaning ascribed thereto under the Listing Rules
- “controlling shareholder” : has the meaning ascribed thereto under the Listing Rules
- “Convertible Notes” : Hong Kong dollar denominated convertible notes in the principal amount of HK\$45,785,596 issued by the Company to Chi Capital on 14 September 2012
- “Director(s)” : the director(s) of the Company
- “EGM” : the extraordinary general meeting of the Company to consider, and, if thought fit, to approve, among other things, the Rights Issue, the Bonus Issue, the Underwriting Agreement and the Whitewash Waiver

“Executive”	: the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s)
“Excluded Shareholder(s)”	: those Overseas Shareholders who, in the opinion of the Directors based on enquiry made in compliance with the Listing Rules, are necessary or expedient to be excluded from the Rights Issue on account of the legal restrictions under the laws or requirements of the relevant regulatory body or stock exchange in the places where such Overseas Shareholders reside
“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 PRC
“HKSCC”	: Hong Kong Securities Clearing Company Limited
“Independent Board Committee”	: an independent committee of the Board, comprising Mr. Wang Wei-Lin, Mr. Li Shan and Dr. Li Jun, all being the independent non-executive Directors, which has been established by the Board to advise the Independent Shareholders on the terms of the Rights Issue, the Bonus Issue and the Whitewash Waiver
“Independent Shareholders”	: the Shareholders other than (i) Chi Capital and parties acting in concert with it and (ii) those who are involved in or interested in the Rights Issue, the Underwriting Agreement and/or the Whitewash Waiver
“Independent Third Party/ies”	: third party/ies and their ultimate beneficial owner(s) which is/are independent of the Company and their respective connected persons
“Irrevocable Undertaking”	: means the undertaking granted by Chi Capital in favour of the Company and the Underwriters, the terms of which are set out in the sub-section headed “Irrevocable Undertaking from Chi Capital” in this announcement

“Listing Committee”	: has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	: the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	: those persons whose addresses as shown on the register of members of the Company on the Record Date are resident in a place outside Hong Kong
“Posting Date”	: the date on which the dispatch of the Prospectus Documents takes place, which is currently expected to be 26 May 2014
“PRC”	: the People’s Republic of China
“Pre-Listing Share Option Scheme”	: The share options scheme of the Company adopted on 5 July 2005
“President Securities	: President Securities (Hong Kong) Limited, a licensed corporation under the SFO licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, being a joint underwriter to the Rights Issue
“Prospectus”	: the prospectus to be dispatched to shareholders of the Company on the Posting Date in connection with the Rights Issue, in a form to be agreed between the Company and the Underwriters
“Prospectus Documents”	: means the Prospectus and the Provisional Allotment Letter
“Provisional Allotment Letter(s)”	: the provisional allotment letter in respect of the Rights Issue to be issued to the Qualifying Holders, in such a form to be agreed between the Company and President Securities (on behalf of the Underwriters) (it being acknowledged that this shall be based on a market standard precedent)

“Qualifying Shareholder(s)”	: the persons shown on the register of members of the Company on the Record Date, other than the Excluded Shareholders as the date by reference to which provisional allotment of Rights Shares will be made
“Record Date”	: 22 May 2014, being the Posting Date (or such other date as the Underwriters and the Company may agree from time to time in writing)
“Rights Issue”	: the proposed offer of the Rights Shares at the Subscription Price on the terms and subject to the conditions to be set out in the Prospectus and the Provisional Allotment Letter and as briefly described in the Announcement
“Rights Shares”	: not less than 1,842,421,788 and not more than 1,941,946,228 new Shares to be issued pursuant to the Rights Issue on the basis of two (2) Rights Shares for every one (1) Share in issue on the Record Date;
“Settlement Date”	: 13 June 2014, being the date being the third Business Day following the Acceptance Date
“SFC”	: the Securities and Futures Commission of Hong Kong
“SFO”	: Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Options”	: outstanding share options granted under the Pre-Listing Share Option Scheme
“Share Registrar”	: the branch share registrar of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Share(s)”	: share(s) of HK\$0.10 each in the authorised share capital of the Company

“Shareholder(s)”	: holder(s) of Share(s)
“Stock Exchange”	: The Stock Exchange of Hong Kong Limited
“Subscription Price”	: HK\$0.15 per Rights Share
“Subsidiaries”	: has the meaning given to the term “subsidiary” in section 15 of the Companies Ordinance
“Takeovers Code”	: The Codes on Takeovers and Mergers and Share Buy-backs
“Underwriters”	: President Securities and Chi Capital
“Underwriting Agreement”	: the underwriting agreement entered into, inter alia, between the Company and the Underwriters dated 4 April 2014 in relation to the Rights Issue
“Underwritten Shares”	: all the Rights Shares other than the Rights Shares to be subscribed by Chi Capital pursuant to the Irrevocable Undertaking
“Untaken Shares”	: any of the Underwritten Shares in respect of which valid acceptances of provisional allotments, accompanied by remittances for the relevant amounts payable on acceptance or application, have not by then been received either on acceptances of provisional allotments (all of which said applications the Company undertakes with the Underwriters to accept before calling upon the Underwriters to perform their obligations imposed by the Underwriting Agreement provided that they have been submitted in accordance with the terms and conditions set out in the Prospectus Documents)
“US”	: the United States of America
“US\$”	: US dollar, the lawful currency of US

- “Whitewash Waiver” : a waiver to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligation of Chi Capital to make a general offer for all the issued Shares not already owned or agreed to be acquired by Chi Capital and parties acting in concert with it which may otherwise arise as a result of the subscription of the Rights Shares by Chi Capital pursuant to the Irrevocable Undertaking and/or the Underwriting Agreement
- “%” : per cent

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

Hong Kong, 9 April 2014

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. WONG Chau Chi and Dr. Hui LIU; 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. Shan LI and Dr. LI Jun.

The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.