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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)

**SUPPLEMENTAL AND CLARIFICATION ANNOUNCEMENT
IN RELATION TO DISCLOSABLE TRANSACTION**

Reference is made to the announcement of CMMB Vision Holdings Limited (the “**Company**”) published on 3 March 2021 (the “**Announcement**”) regarding the disclosable transaction of assignment of lease agreement. Unless otherwise defined, capitalized terms used in this supplemental announcement shall have the same meanings as those defined in the Announcement.

The Board would like to supplement the following additional information to the Announcement.

INFORMATION OF THE LEASED ASSETS

Pursuant to the unaudited financial information of the KMMC Station, the net loss before taxation and after taxation (before impairment) for the year ended 31 December 2020 was approximately US\$88,000 and US\$69,000, respectively; and the net profit before and after taxation (before impairment) for the year ended 31 December 2019 was approximately US\$63,000 and US\$48,000, respectively.

PROCEEDS FROM THE DISPOSAL

As disclosed in the Announcement, the Directors consider that the Disposal represents an opportunity for the Group to reduce indebtedness.

The Company would like to supplement that the intended use of sale proceeds is to repay the outstanding accounts payables to vendors and services suppliers which amounted to approximately US\$4,930,000 as at 31 December 2020.

BASIS OF THE CONSIDERATION

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

The Company would like to supplement the details:

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

The pandemic has adversely affected the Group's business operation during the year ended 31 December 2020 and hence reduced the Group's revenue and available cash to meet its financial needs and obligations. The Directors have taken careful consideration of the future liquidity of the Group in light of the fact that the Group continued to incur loss for the year ended 31 December 2020 and the Group remained net current liabilities position as at 31 December 2020. The needs for monetizing assets for liquidity has been discussed throughout the year in 2020 with details as disclosed in the announcements of the Company dated 22 June 2020, 17 August 2020 and 15 October 2020, however it is still under due diligence and negotiation process and yet to reach final agreement. Other than the above, management has received another offer from the leasee of KMMC Station for the reassignment of the lease agreement by the end of 2020. Management considered that this reassignment without much affecting its overall business capacity is a viable alternative for the Company to shore up its liquidity, especially in today's stricken business environment.

2. The financial performance of the KMMC Lease

The unaudited revenue from KMMC Station amounted to US\$168,000 and US\$504,000, representing 4.33% and 7.05% of the Group's revenue for the year ended 31 December 2020 and 2019 respectively. The unaudited net loss before and after taxation (before impairment) from KMMC Station for the year ended 31 December 2020 was amounted to approximately US\$88,000 and US\$69,000 respectively.

3. Deteriorating business environment due to pandemic and economic slowdown

People's spending in leisure and entertainment has dropped due to economic recession and business slowdown. Many television service providers had prepared for revenue declined and were unwilling to sign up new suppliers contracts like channel leasing, subject to low subscription rates and their advertising customers adopted survival plans by cutting their spending. The US economy is forecasted to have prolonged recession till next year, and recovery will take several years to come.

4. Increasing difficulty in managing a US business with US-China trade and economic uncertainty

The souring US-China trade relation has resulted in the US tightening media access for Chinese companies. With the US cancellation of Hong Kong's preferential treatment, Hong Kong companies are treated the same as Chinese entities. It is possible that programming supplied by the Company under its lease contract with US LPTV operators might be curtailed. All of such would increase difficulty of managing LPTV business in the US.

THE BOARD'S ASSESSMENT ON THE DISPOSAL

The KMMC Station is currently under a co-sharing arrangement with two other co-operators, in which the Group has only one-third of the 6 MHz capacity in this KMMC Station after the FCC repack. The lack of independence has further depressed its value. In addition, this reassignment is the only available offer with the best payment term in the favor of the Company at the moment.

The Group has estimated unaudited net current liabilities of approximately US\$3,527,000 as at 31 December 2020. The Group needs to have adequate cash flow to meet its financial obligations.

With the poor economic prospect, expected falling income, deteriorating market value, prolonged pandemic triggered economic downturn, prudence of shoring up Company liquidity through asset monetization in difficult time, reducing US business exposure during China-US trade uncertainty,

getting the best price in the market in a long time in which there was hardly any LPTV sale, the reassignment of lease agreement, albeit at a loss on disposal of intangible assets of \$1,478,000 (unaudited) is inevitable.

CLARIFICATION ON ULTIMATE BENEFICIAL OWNERS OF THE PURCHASER

As disclosed in the Announcement, that ultimate beneficial owner of the Seller is Mr. Wang Wei-Hsiu and Mr. Wu Jung-Huo.

The Company would like to clarify that Mr. Wang Wei-Hsiu and Mr. Wu Jung-Huo are ultimate beneficial owner of the Purchaser.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are both Independent Third Parties and its connected persons (as defined in the Listing Rules).

Save as disclosed in this announcement, all information in the Announcement remains unchanged.

By order of the Board
CMMB Vision Holdings Limited

Wong Chau Chi
Chairman

Hong Kong, 10 March 2021

As at the date of this announcement, the executive directors are Mr. WONG Chau Chi and Dr. LIU Hui; the non-executive directors are Mr. CHOU Tsan-Hsiung and Mr. YANG Yi; and the independent non-executive directors are Dr. LI Shan, Dr. LI Jun and Mr. CHOW Kin Wing.