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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) FULLY EXEMPT CONNECTED TRANSACTION IN RELATION TO
ACQUISITION OF ASIASTAR; AND
(2) PROPOSED CHANGE OF COMPANY NAME**

HIGHLIGHTS

1. Acquire AsiaStar satellite system operating over Asia from controlling shareholder for the consideration of HK\$1.00, which has an estimated value of US\$120 million (approximate discount of HK\$1 billion).
2. Leapfrog as Satellite-to-Vehicle Internet service operator with world's largest satellite data mobility network and upcoming GEO-LEO-5G Converged™ platform.
3. Focus on autonomous-driving and new-energy vehicles to provide digital infotainment, telematics and data analytics for drivers, passengers, and automakers.
4. Service will be deployed regionally over China, ASEAN, India and Pakistan; pilot regions, service will start with Greater Bay Area.
5. Company to be renamed as “Silkwave Inc” in developing as the Unicorn for satellite Internet “data-as-a-service”.

THE ACQUISITION

The Board is pleased to announce that on 29 March 2022 (after trading hours of the Stock Exchange), the Company entered into the Agreement with the Vendor, pursuant to which the Company agreed to acquire and the Vendor agreed to sell the Asset for the consideration of HK\$1.00.

ACQUISITION SUMMARY

Acquiring AsiaStar for HKD1 and leapfrogging as Asia's first satellite Internet data-as-a-service operator over China, ASEAN, India-Pakistan regions

The Company entered into the Agreement to acquire the AsiaStar satellite system operating over Asia from Controlling Shareholder Chi Capital for HK\$1.00 (which has an expected value of US\$120 million on a market comparable basis). The Acquisition is the most important step for the Company to leapfrog as Asia's first satellite Internet data-as-a-service provider dedicated to autonomous-driving new-energy vehicles (NEVs), complete with technology infrastructure, valuable L-spectrum, proven concept, ecosystem, and readiness for services in China & ASEAN in delivering connected-car infotainment and IoT data services while advancing the Company toward the new digital economy.

The Asset consist of: i) the L-band mobile broadcasting satellite spacecraft at the 105E geostationary (GEO) orbit (high-orbit) operating in 1467–1492 MHz L-band spectrum covering China, ASEAN, India and Pakistan regions, ii) the supporting ground uplink stations and data centers in Beijing and Brisbane, and iii) the satellite and 5G broadcast-unicast ConvergedTM technology, which has been adopted by the International Telecommunication Union as a Vehicular Multimedia Standard (ITU-T F.749.3 & ITU-T H.551).

Largest mobile data distribution satellite network focusing on autonomous and new-energy vehicles, which are fast becoming consumer's largest smartphone and mobile consumption space

The Acquisition will immediately equip the Company with the world's largest satellite mobile data and multimedia network, which will couple with the Company's technological expertise in mobile multimedia and connected-car applications accumulated for the years to provide rich infotainment to drivers and passengers, telematic data and software renewal to smart-driving, and vehicle-generated big-data analytics to carmakers and value-added service providers.

A smart new-energy driving vehicle has three main parts: intelligent-driving operating system, electric/new-energy engine, and smart data mobility connectivity; and data is the linchpin and oxygen for propelling the many intelligent functions of the car. As a result, smart cars are fast becoming consumer's largest smartphone and mobile consumption space. The data amount required can reach hundreds of Gbps per day, and it needs to have efficient, low-cost, ubiquitous transmission and download, which the current mobile networks such as 4G and even 5G cannot effectively accommodate due to their coverage, bandwidth, and data cost constraints. The capability of AsiaStar with satellite-5G convergence technology can provide integrated satellite and ground transmission with seamless coverage, abundant quantity and data-charge-free. Such a platform revolutionizes data mobility delivery, and is especially suitable for accommodating vehicles and their voracious data appetite.

The services can also be extended to marine ships, high-speed rail, drones, smart cities, and remote data service access.

Business to deploy over China and ASEAN and later whole Asia; with Greater Bay Area to first start with pilot service

Following the Acquisition, the Company plans to launch pilot service in the Greater Bay Area of China in conjunction with industrial partners, and build up the Greater Bay Area as its operating base for nationwide service rollout. Greater Bay Area is China's largest special economic zone that includes Hong Kong and the coming world's largest international metropolitan, with a population of almost a hundred million. It is also the largest cluster for China's autonomous-driving and new-energy carmakers, aerospace and satellite Internet industry players, as well as a bridge for the ASEAN "Belt-Road" access. It enjoys ample favourable policies under China's "14th Five-Year Plan" for business development.

The Company also plans to leverage its ecosystem support in China and the policy momentum made available by the China-ASEAN Comprehensive Economic Partnership to extend services to ASEAN with turnkey solutions; it is currently discussing pilot service deployment in Penang, Malaysia with local government and partners.

Leverage AsiaStar to develop GEO-LEO-5G platform, the coming 6G architecture, the Company to become a service Unicorn and change name into Silkwave Inc

Leveraging AsiaStar resources, the Company plans to build a new high-power GEO-satellite "Silkwave-1", which will have 100 times high power level to bolster capabilities in joining AsiaStar to support mass-market services. The Company is in discussion with China Great Wall Industries in partnership with associate company Silkwave Holdings, which has entered into a framework agreement for satellite procurement which is under plan for launch by 2024.

In addition, the company will also leverage the spectrum of "AsiaStar" to build a state-of-the-art Low-Earth-Orbit (LEO) broadband Internet satellite constellation, the AseanLink, which will integrate with the GEO network to create a "GEO-LEO-5G" multi-dimensional data transmission network, a de facto future 6G architecture. The network will provide integrated connected-car infotainment, broadband Internet, Internet-of-Things data services for ASEAN and Greater Bay Area with unprecedented universal coverage and economies of scale.

To complement future development, the Company will change its name to from CMMB Vision Holdings Limited, to Silkwave Inc, while striving to become a future Unicorn for the region's data-as-a-service.

Company Mission

The Company's mission is to eliminate the Digital Divide along the "Belt-Road" region through space technology and artificial intelligence, so that everyone can have their own unimpeded digital sky with low-cost and universal access; it also wants to use data mobility service as the focal point to help facilitate the integrative development of satellite, Internet, IoTs, autonomous-driving, and artificial intelligence, and promote Hong Kong to become the hub of Asia's new digital space economy while re-launching its industry.

THE AGREEMENT

The principal terms of the Agreement are as follows:

Date: 29 March 2022 (after trading hours of the Stock Exchange)

Definitions: (1) The Company (as the purchaser)
(2) The Vendor (as the vendor)

As at the date of this announcement, the Vendor is wholly owned by Mr. Wong, and owns approximately 74.64% of the issued share capital of the Company. Hence, the Vendor is a connected person of the Company pursuant to the Listing Rules. The Acquisition shall therefore constitute connected transactions for the Company.

Asset to be acquired

The Asset consist of: i) the L-band mobile broadcasting satellite spacecraft at the 105E geostationary (GEO) orbit (high-orbit) operating in 1467–1492 MHz L-band spectrum covering China, ASEAN, India and Pakistan regions, ii) the supporting ground uplink stations and data centers in Beijing and Brisbane, and iii) the satellite and 5G broadcast-unicast ConvergedTM technology, which has been adopted by the International Telecommunication Union as a Vehicular Multimedia Standard (ITU-T F.749.3 & ITU-T H.551).

Consideration

The consideration for the sale and purchase of the Asset is HK\$1.00. The consideration was determined through arm's length negotiations between the Purchaser and the Vendor on a commercial basis with reference to (i) the market comparable of the Asset, (ii) the future business prospect of the Asset and (iii) the replacement cost.

The Asset is estimated to have a value of USD120 million based on market comparable and replacement cost basis. They are sold at the consideration of HK\$1.00 to the Company by the controlling shareholder Chi Capital, who is also the controlling shareholder of Silkwave Holdings. The nominal price gives the Company a huge potential windfall in enterprise value.

Completion

The Acquisition is unconditional and completion of the which shall take place within 30 calendar days after the signing of the Agreement.

REASONS AND BENEFITS OF THE ACQUISITION

Most effective way to rapidly grow the satellite connected-car multimedia business the Company has been developing for years

The Company has been developing the satellite-based connected-car multimedia business for several years, which builds upon the Company's core Converged Mobile Multimedia Broadcasting (CMMB) technology, technically known as the Satellite-Terrestrial Interactive Mobile Infrastructure (sTiMi). The technology enables the delivery of vast amount of mobile IP-data content in a one-to-many broadcasting manner to unlimited users anywhere with huge geographical coverage and no data streaming cost to the user. It operates independently of the terrestrial one-to-one cellular network yet also seamlessly converges with it through the ConvergedTM technology. Such converged capability is ideal for delivering universal infotainment and data service in massive scale in mobile and wireless environment.

The Company in 2017 acquired 20% of Silkwave Holdings from Seller and Controlling Shareholder in a Very Substantial Acquisition ("VSA") transaction, in which the Company is also given a call option to acquire an additional 31% equity to reach controlling position. Silkwave Holdings is a full-fledged satellite multimedia infrastructure and service platform that is built on the Company's sTiMi technology architecture. Silkwave Holdings originally owns the AsiaStar system. It currently also owns the use of 40 MHz of contiguous L-band radio frequency and 105E geostationary satellite orbit exclusively authorized by the International Telecommunications Union. In addition, it owns the business operating and R&D setup in China and the US for connected-car multimedia service. Given the elaborate and capital intensive investment of Silkwave Holdings, the VSA provides a short-cut for the Company to access the platform with minimum upfront capital and maximum upside.

Recent market development in the auto industry has accelerated Company's development plan. China is mandating new-energy smart-driving vehicles to reach 50% of the market penetration by 2035 in its 14th Five-Year Plan. The expected development vastly heightens the data mobility demand for vehicles, as mobile data is the life-blood for infotainment and data services of driver/passenger, and telematic/IoT services of smart-driving, which will consume hundreds to thousands of Gigabytes of data per car per day and require ubiquitous, real-time, low-cost delivery. Such requirements cannot be adequately accommodated by the conventional terrestrial 4G or 5G due to their limitations in bandwidth, coverage, and data-cost. The Silkwave Holdings system is uniquely positioned to take the charge.

One way for the Company to quickly transit to become a full-fledged Silkwave Holdings service operator is to exercise its call option to control Silkwave Holdings, but this would be impractical given the upfront cost which is multiple of the Company's current market capitalization and far exceeding Company's financial constraints.

A more efficient way is for the Company to first acquire certain critical capabilities of Silkwave Holdings at minimal upfront cost, as represented by the Acquisition, so that it can quickly kick-off various service activities while getting the foundation to develop the full ecosystem capabilities by assimilating and eventually transcending Silkwave Holdings's capabilities.

Leapfrog as a satellite Internet data-as-a-service provider with world's largest satellite data mobility network and upcoming GEO-LEO-5G platform.

The Acquisition will immediately equip the Company with world's largest geostationary (GEO) satellite mobile delivery network covering China, ASEAN, India/Pakistan coupled with satellite-5G Converged technologies.

Explosive growth in autonomous and new-energy driving is fast transforming new vehicles into consumers' smartphone-on-wheel and largest mobile consumption space, which cannot be adequately accommodated by conventional terrestrial mobile network. The AsiaStar platform is uniquely tasked for the charge. It is capable of delivering the equivalent of 40 HD video and 200 HiFi audio live channels plus 200GB of push data per user per day with ubiquitous coverage and no data-streaming charge for user.

The Acquisition also give the Company an encompassing platform to develop its state-of-the-art Low-Earth-Orbit satellite constellation for Internet broadband delivery, which is under development stage. The LEO system will merge to form the Company's GEO-LEO-5G integrated platform, a de facto 6G architecture, capable of delivering integrated connected-cars, broadband Internet, IoT services with universal connectivity and unprecedented economies of scale.

Deployment in China starting with Greater Bay Area

With the Acquisition, the Company is in a position to deploy services in China as an operator. China is the world's largest auto market with 300 million passenger and commercial vehicles on the road and 30 million new ones coming in the market every year. Other market attributes include: i) high population density, ii) increasing content consumption, iii) consumers' willingness to pay for in-car entertainment, iv) significant time passengers in car (daily 2–3 hrs), v) high number of passengers per car (2.7 including driver), and vi) a lack of competing services. These attributes provide a solid foundation for Company to develop in-vehicle infotainment and data services in China.

The Company has been working alongside Silkwave Holdings as a strategic partner and value-added service provider in various market development activities in China. Among them, the partnership has rendered AsiaStar system as part of China's New Infrastructure to support the country's digital transformation. It has developed nationwide satellite-5G ConvergedTM network and ecosystem support. It has entered strategic alliance with auto-OEMs and telematic industries partners. It has formed government joint-venture for service operation with exclusive franchise. Its ConvergedTM technology solution has been adopted by the International Telecommunication Union as the standard for Vehicular Multimedia and is in process of also becoming China's auto standard for future in-car infotainment gateway. It has also successfully conducted a nationwide technical service trial with 400 concept-cars in 1,000,000 km road-test in preparation for service deployment. The Company expects to launch pilot service in the Greater Bay Area as the base for nationwide rollout. Greater Bay Area is one of China's highest economic growth regions with almost 100 million people and the largest base for the new-energy vehicle and satellite-aerospace industries with government policy initiatives highly favourable to the Company's development.

Expansion to ASEAN with turnkey solution

ASEAN is a very attractive market for the Company, where it can leverage its Asia-wide satellite platform and China ecosystem support to capture the market with turnkey solutions. The recent Regional Comprehensive Economic Partnership (RCEP) and the China-ASEAN Comprehensive Strategic Partnership have provided an excellent macro environment for Company to expand services to ASEAN. ASEAN has about 700 million in population and almost half has little or no Internet access and satellite is seen as the most effective solution to leapfrog digital transformation. ASEAN projects 100 million middle-high income population by 2030, and development of a smart-driving economy is a top government priority. Poised to grow rapidly alongside China, the Company has been engaged in efforts such as forming joint ventures in Malaysia, Indonesia and Philippines, and spearheading creation of “Greater Bay Area — ASEAN Satellite Telematics Applications Alliance to fast-track local supply-chain development. The Company is planning to roll out pilot service in Penang, Malaysia later in 2022 with local government and industry partners.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Vendor is wholly owned by Mr. Wong, and owns approximately 74.64% of the issued share capital of the Company. Hence, the Vendor is a connected person of the Company pursuant to the Listing Rules. The Acquisition shall therefore constitute connected transactions for the Company.

As all of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisitions in aggregate are less than 5% and the total consideration is less than HK\$3,000,000, the Acquisition is fully exempted from the reporting, announcement, circular and shareholders’ approval requirements under Chapters 14 and 14A of the Listing Rules.

PROPOSED CHANGE OF COMPANY NAME

To better align the Company direction of future business development, the board of directors of the Company, proposes to change the name of the Company from “CMMB Vision Holdings Limited” to “Silkwave Inc” and to adopt the Chinese name of “中播數據有限公司” to replace its existing Chinese name of “中國移動多媒體廣播控股有限公司”.

Conditions for the Proposed Change of Company Name

The Proposed Change of Company Name is subject to the satisfaction of the following conditions:

- (a) the passing of a special resolution by the Shareholders at the Shareholders’ general meeting approving the Proposed Change of Company Name; and
- (b) the Registrar of Companies in the Cayman Islands approving the Proposed Change of Company Name.

Subject to the satisfaction of the Name Change Conditions, the Proposed Change of Company Name will take effect from the date of entry of the new English name of the Company into the register maintained by the Registrar of Companies in the Cayman Islands. The Registrar of Companies in the Cayman Islands will issue a certificate of incorporation on change of name thereafter. The Company will carry out all necessary registration and/or filing procedures with the Registrar of Companies in the Cayman Islands and the Companies Registry in Hong Kong.

Reasons for the Proposed Change of Company Name

The Board considers that the Proposed Change of Company Name will better align the Company direction of future business development. The Board believes that the proposed new name of the Company will provide the Company with a new corporate image which will enable the Group to better identify itself and capture potential business opportunities for its future development. Accordingly, the Board is of the view that the Proposed Change of Company Name is in the interests of the Company and the Shareholders as a whole.

Effects of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any rights of the Shareholders. Once the Proposed Change of Company Name becomes effective, any issue of share certificates of the Company thereafter will be in the new name of the Company and the shares of the Company will be traded on the Stock Exchange in the new name of the Company. All existing share certificates of the Company in issue bearing the present name of the Company shall, after the Proposed Change of Company Name having become effective, continue to be evidence of title to such Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates for new share certificates bearing the new name of the Company.

General

The Proposed Change of Company Name is subject to subject to Shareholders' approval at the Shareholders' general meeting, and a resolution to consider and approve the Proposed Change of Company Name will be proposed at the Shareholders' general meeting. A circular containing, among others, details of the Proposed Change of Company Name will be despatched to the Shareholders in due course.

DEFINITIONS

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

- “Acquisition” : the acquisition of the Asset by the Purchaser from the Vendor
- “Agreement” : the agreement dated 24 March 2022 entered into between the Vendor and the Purchaser in relation to the Acquisition

“AsiaStar”	:	a geostationary satellite spacecraft ASIABSS operating the 105E orbit, supporting ground uplink station, data and control centers in Brisbane and Beijing
“Asset”	:	a complete geostationary satellite system operating over Asia to be acquired by the Purchaser from the Vendor pursuant to the terms and conditions of the Agreement
“Board”	:	the board of Directors
“Business Day”	:	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong
“Chi Capital”	:	Chi Capital Holdings Ltd, a company incorporated under the laws of the BVI with limited liability, which is wholly owned by Mr. Wong
“Company”	:	CMMB Vision Holdings Limited, a company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Main Board (stock code: 471)
“Completion”	:	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	:	the date falling within the 30 Days after the signing of the Agreement
“Consideration”	:	the total consideration for the Acquisition in the amount of HK\$1.00
“controlling shareholder(s)”	:	has the meaning ascribed thereto under the Listing Rules
“Directors”	:	directors of the Company
“Group”	:	the Company and its subsidiaries from time to time
“Hong Kong”	:	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	:	the main board maintained and operated by the Stock Exchange
“Mr. Wong”	:	Mr. Wong Chau Chi, being the ultimate beneficial owner and sole director of Chi Capital, the chief executive of the Group, an executive Director and the chairman of the Board

“Name Change Conditions”	:	Conditions for the Proposed Change of Company Name
“Proposed Change of Company Name”	:	Proposed change of name of the Company from “CMMB Vision Holdings Limited” to “Silkwave Inc” and to adopt the Chinese name of “中播數據有限公司” to replace its existing Chinese name of “中國移動多媒體廣播控股有限公司”
“Purchaser”	:	The Company
“Share(s)”	:	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	:	holder(s) of the Shares
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“Silkwave Holdings”	:	Silkwave Holdings Limited, a company incorporated under the laws of the Cayman Islands and is an associate of the Company
“Vendor”	:	Chi Capital
“US\$”	:	United States dollars, the lawful currency of the United States of America
“HK\$”	:	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	:	per cent

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

Hong Kong, 29 March 2022

As at the date of this announcement, the executive director is Mr. WONG Chau Chi; the non-executive directors are Dr. LIU Hui, Mr. CHOU Tsan-Hsiung, Mr. YANG Yi and Mr. LUI Chun Pong; and the independent non-executive directors are Dr. LI Jun, Mr. CHOW Kin Wing and Mr. TAM Hon Wah.