

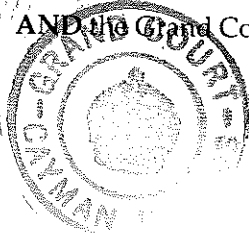
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 0087 OF 2016

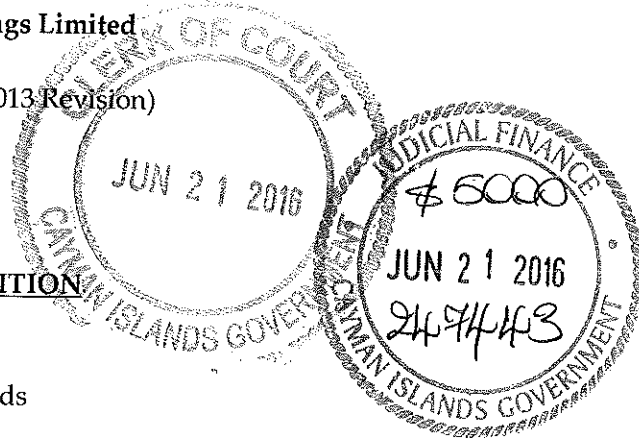
IN THE MATTER OF CMMB Vision Holdings Limited

AND in the matter of the Companies Law (2013 Revision)

AND the Grand Court Rules 1995 Order 102



PETITION



To: The Grand Court of the Cayman Islands

THE PETITION of CMMB Vision Holdings Limited shows as follows:

1. The object of this Petition is to seek an Order of the Court pursuant to section 15 of the Companies Law (2013 Revision) (the "**Companies Law**") confirming a reduction of the share capital of the Petitioner, CMMB Vision Holdings Limited (the "**Company**").
2. The Company was incorporated on 22 July 2004 under the Companies Law with the name of "Global Flex Holdings Limited 佳邦環球控股有限公司" and registered in the Cayman Islands as an exempted company with registration number 138154. On 20 April 2010, the name of the Company was changed from "Global Flex Holdings Limited 佳邦環球控股有限公司" to "CMMB Vision Holdings Limited 中國移動多媒體廣播控股有限公司".
3. The registered office of the Company is situated at the office of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
4. As at the date of incorporation of the Company on 22 July 2004, its authorised share capital was HK\$100,000 divided into 1,000,000 shares of a nominal or par value of HK\$0.10 each.
5. By way of a resolution of the sole shareholder of the Company passed on 5 July 2005, the authorised share capital of the Company was increased from HK\$100,000 to HK\$500,000,000 divided into 5,000,000,000 shares of a nominal or par value of HK\$0.10 each.
6. On 19 January 2009, a special resolution (the "**2009 Reduction Minutes**") was passed

by the shareholders of the Company at its extraordinary general meeting to, conditional upon fulfilment of certain conditions set out in the notice of the extraordinary general meeting of the Company dated 18 December 2008:

- (a) reduce the issued share capital of the Company by cancelling issued and paid up capital to the extent of HK\$0.09 on each ordinary share of HK\$0.10 of the Company in issue so that the nominal value of all issued shares be reduced from HK\$0.10 each to HK\$0.01 each; and
- (b) subdivide each unissued share of HK\$0.10 each in the authorised and unissued share capital of the Company into 10 unissued share of HK\$0.01 each;

(the above collectively referred to as the "2009 Capital Reorganisation").

- 7. The 2009 Capital Reorganisation became effective on 29 April 2009 after all of the conditions thereto, including confirmation of the 2009 Capital Reorganisation by the Honourable Court, were fulfilled.
- 8. The authorised share capital of the Company on registration of the 2009 Reduction Minutes was HK\$500,000,000 divided into 50,000,000,000 shares of HK\$0.01 each.
- 9. On 7 September 2012, a resolution was passed by the shareholders of the Company at an extraordinary general meeting to consolidate every ten (10) issued and unissued shares of HK\$0.01 each into one (1) share of a nominal or par value of HK\$0.10 each. The authorised share capital of the Company then became HK\$500,000,000 divided into 5,000,000,000 shares of HK\$0.10 each.
- 10. On 21 May 2015, a resolution was passed by the shareholders of the Company at an extraordinary general meeting to increase the authorised share capital from HK\$500,000,000 divided into 5,000,000,000 shares of a par value of HK\$0.10 each to HK\$5,000,000,000 divided into 50,000,000,000 shares of HK\$0.10 each by the creation of an additional of 45,000,000,000 shares of HK\$0.10 each.
- 11. On 20 June 2016, a resolution was passed by the shareholders of the Company at an extraordinary general meeting to consolidate every ten (10) issued and unissued shares of HK\$0.10 each into one (1) share of a nominal or par value of HK\$1.00 each. The authorised share capital of the Company then became HK\$5,000,000,000 divided into 5,000,000,000 shares of HK\$1.00 each.
- 12. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 10 October 2005 under stock code number 471. Over the years, the Company has allotted and issued various tranches of ordinary shares, being the only class of shares of the Company. As at the date of this Affirmation, the authorised share capital of the Company is HK\$5,000,000,000 divided into 5,000,000,000 shares of a nominal or par value of HK\$1.00 each and its

issued share capital is HK\$1,875,960,800 divided into 1,875,960,800 shares of a nominal or par value of HK\$1.00 each which have been fully paid-up or credited as fully paid-up.

13. The objects for which the Company was established are unrestricted and include, without limitation:
- (a) to act and to perform all the functions of a holding company in all its branches and to co-ordinate the policies, administration, management, supervision, control, research, planning, trading and any other activities of any subsidiary or affiliated company or companies wherever incorporated or carrying on business or of any group of companies of which the Company or any subsidiary or affiliated company is now or may become a member or which are now or may become in any manner associated with or controlled directly or indirectly by the Company;
 - (b) to carry on all, or any one or more, of the following businesses in all or any of their various aspects:
 - (i) providing services of any kind, financial or otherwise, in, from and to any part of the world outside the Cayman Islands;
 - (ii) general trading, importing, exporting, buying, selling and dealing in goods, materials, substances, articles and merchandise of all kinds in, from and to any part of the world, whether as principal or as agent;
 - (iii) manufacturing, processing and/or extracting or taking goods, materials, substances, articles and merchandise of all kinds in any part of the world; and
 - (iv) investing, developing, dealing in and/or managing real estate or interests therein in any part of the world outside the Cayman Islands;
 - (c) to carry on any other business of any nature whatsoever which may seem to the directors of the Company to be capable of being conveniently carried on in connection or conjunction with any business of the Company hereinbefore or hereinafter authorised or to be expedient with a view to rendering profitable or more profitable any of the Company's assets or utilising its know-how or expertise.
 - (d) to act as an investment company and for that purpose to acquire and hold upon any terms and, either in the name of the Company or that of any nominee, shares, stock, debentures, debenture stock, annuities, notes, mortgages, bonds, obligations and securities, foreign exchange, foreign currency deposits and commodities, issued or guaranteed by any company wherever incorporated or carrying on business, or by any government,

sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, by original subscription, tender, purchase, exchange, underwriting, participation in syndicates or in any other manner and whether or not fully paid up, and to make payments thereon as called up or in advance of calls or otherwise and to subscribe for the same, whether conditionally or absolutely, and to hold the same with a view to investment, but with the power to vary any investments, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof, and to invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may be from time to time determined.

14. The Company is an investment holding company. The Company together with its subsidiaries (collectively the “**Group**”) are principally engaged in the development and promotion of CMMB-based multimedia and interactive services via proprietary terrestrial infrastructure.

China Mobile Multimedia Broadcasting (“**CMMB**”) is a digital mobile multimedia technology developed by and currently commercially deployed in the PRC under the State Administration of Radio, Film and Television. It can deliver digital mobile TV and multimedia contents via both terrestrial and satellite networks directly to mobile and wireless devices such as smartphone, tablet, pocket TV, lap-tops, automobile digital receivers and personal media player that are equipped with a CMMB-enabled chipset.

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

The operations of the Company’s subsidiaries are principally located in Hong Kong, the United States of America and the People’s Republic of China. Should the Court require further information in respect of the Group, its website is at <http://www.cmmbvision.com>.

15. The Articles of Association of the Company provide, *inter alia*, as follows:

“13. The Company may from time to time by Ordinary Resolution:

- (i) increase its share capital as provided by Article 7;
- (ii) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; and on any consolidation of fully paid shares into shares of larger amount, the Directors may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into a consolidated share, and if it shall happen that any

person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interest or may be paid to the Company for the Company's benefit;

- (iii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Law, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;
- (v) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
- (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and
- (vii) change the currency of denomination of its share capital.

The Company may apply the share premium account in any manner permitted by the Statutes. The Company shall at all times comply with the provisions of the Statutes in relation to its share premium account."

"14. The Company may by Special Resolution reduce its share capital or undistributable reserve in any manner authorised, and subject to any conditions prescribed, by law."

16. By a special resolution of the Company (the "**Special Resolution**") passed in accordance with section 14(1) of the Companies Law at an extraordinary general meeting held on 20 June 2016 (the "**Extraordinary General Meeting**"), it was resolved:

"**THAT** subject to and conditional upon (i) the approval of the Capital Reduction (as defined below) by the Grand Court of the Cayman Islands (the "**Court**"); (ii) the

compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below); (iii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction (as defined below) and the minute approved by the Court containing the particulars required under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with respect to the Capital Reduction (as defined below); (iv) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reduction (as defined below) and the Share Subdivision (as defined below); and (v) such other conditions set out in the circular of the Company dated 18 May 2016 in relation to the Capital Reduction (as defined below) and the Share Subdivision (as defined below) having been fulfilled, with effect from the date on which these conditions are fulfilled (the "Effective Date"):

- (a) the issued and paid-up share capital of the Company be reduced (the "Capital Reduction") by cancelling the paid-up capital to the extent of HK\$0.99 on each of the then issued shares of HK\$1.00 each of the Company (the "Share") in issue so that each issued Share with a par value of HK\$1.00 of the Company be treated as one fully paid-up share with a par value of HK\$0.01 (the "New Shares") in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued capital thereby cancelled be made available for issue of new shares of the Company so as to maintain the authorised share capital of the Company at HK\$5,000,000,000;
- (b) upon the Capital Reduction becoming effective, each of the then authorised but unissued Shares with a par value of HK\$1.00 each be subdivided into one hundred (100) unissued New Shares with a par value of HK\$0.01 each (the "Share Subdivision") so that the authorised share capital of the Company shall be HK\$5,000,000,000 divided into 500,000,000,000 New Shares immediately following the Capital Reduction and the Share Subdivision becoming effective;
- (c) the credits arising from the Capital Reduction shall be applied to set off the accumulated losses of the Company as at the Effective Date and the balance (if any) will be transferred to a distributable reserve of the Company called the capital reduction reserve account or other reserve account of the Company which may be utilised by the Directors as a distributable reserve to eliminate or set off the accumulated losses of the Company which may arise from time to time and/or to pay dividend and/or to make any other distribution out of such account from time to time and/or to apply the credit in such account in any other manner as may be permitted under the articles of association of the Company in effect from time to time and all applicable laws and rules (including the Rules Governing the Listing of Securities on the

Stock Exchange (the "Listing Rules")) without further authorisation from the shareholders of the Company and all actions in relation thereto be approved, ratified and confirmed;

- (d) all of the New Shares resulting from the Capital Reduction and the Share Subdivision shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the Company's memorandum and articles of association in effect from time to time; and
- (e) the Directors be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reduction and the Share Subdivision."

17. The number of shareholders of the Company present and voting in person or by corporate representatives at the Extraordinary General Meeting is as set out in the table below:

	Present & Voting	For	Against
How Present	Number of shareholders present	Number of shares voted	Number of shares voted
In person/by proxy/by authorised representative	11 shareholders (Note)	11,365,249,897 shares	22,630,000 shares
Total	11 shareholders	11,365,249,897 shares	22,630,000 shares

Note: HKSCC Nominees Limited, being the nominee for and on behalf of different ultimate beneficial shareholders of the Company, has appointed the chairman of the Extraordinary General Meeting as its proxy and instructed the chairman of the Extraordinary General Meeting to vote both "for" and "against" the Special Resolution at the Extraordinary General Meeting. A total of 5,903,111,385 shares were voted on behalf of HKSCC Nominees Limited at the Extraordinary General Meeting "for" the Special Resolution and a total of 6,320,000 shares were voted on behalf of HKSCC Nominees Limited at the Extraordinary General Meeting "against" the Special Resolution.

The Special Resolution was presented to the meeting and voted on by way of a poll. The shareholders present and voting in person or by corporate representative, representing not less than three-fourths of the votes cast, voted to approve the Special Resolution and the chairman of the Extraordinary General Meeting declared the Special Resolution passed in accordance with the Articles of Association of the Company.

18. The Special Resolution to approve and give effect to among other things the Capital Reduction was duly passed at an extraordinary general meeting, thus satisfying the requirements for passing a special resolution to approve the Capital Reduction under the Articles of Association of the Company and under the Companies Law.
19. The proposed Capital Reduction does not involve either the diminution of any liability in respect of unpaid capital and the Company has no intention to make any payment of paid up capital of the Company to its shareholders. Furthermore, the proposed Capital Reduction will not alter the underlying assets, business operations, management or financial position of the Company or the proportional interests or rights of the shareholders of the Company.
20. The form of Minute proposed to be registered is as follows:

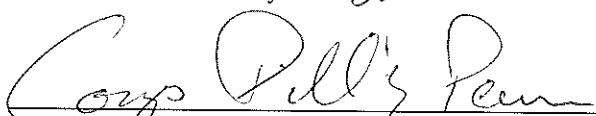
"The issued share capital of CMMB Vision Holdings Limited (the "Company") was by virtue of a Special Resolution passed on 20 June 2016 and with sanction of an Order of the Grand Court of the Cayman Islands dated [●] 2016 reduced from HK\$1.00 per each issued share to HK\$0.01 per each issued share (the "Capital Reduction"). Upon the Capital Reduction becoming effective, each authorised but unissued share of HK\$1.00 each shall be subdivided into one hundred (100) unissued shares of HK\$0.01 each in the capital of the Company. At the date of the registration of this Minute, the authorised share capital of the Company is HK\$5,000,000,000 divided into 500,000,000,000 shares of HK\$0.01 each."

Your Petitioner, the Company, therefore prays as follows:

- (1) That the Capital Reduction of the Company proposed to be effected by the Special Resolution set forth in paragraph 15 of this Petition may be confirmed and that the above-mentioned Minute may be approved by the Court.
- (2) That to this end, all necessary enquiries and directions may be made and given.
- (3) Such further and other order as this Honourable Court shall think fit.

NOTE: It is intended to serve this Petition on CMMB Vision Holdings Limited, at its registered office located at the office of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

Dated this 21 day of June 2016



Conyers Dill & Pearman
Attorneys-at-Law for the Petitioner herein

Notice of Hearing

This Petition having been presented to the Court on the day of 2016 will be heard at the Law Courts, George Town, Grand Cayman on the day of 2016 at am/pm or as soon thereafter as the Petition can be heard.

This Petition was filed by Conyers Dill & Pearman, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands