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China Digital Video Holdings Limited

中國數字視頻控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8280)

SUPPLEMENTAL ANNOUNCEMENT: RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 17 May 2021 in relation to, among other things, the New Property Lease Agreement entered into between CDV WFOE and CDV Investment (the “**Announcement**”). Capitalised terms defined in the Announcement shall have the same meaning herein unless otherwise defined or the context otherwise required.

REVISION OF THE PROPOSED ANNUAL CAP UNDER THE NEW PROPERTY LEASE AGREEMENT

Pursuant to IFRS 16, subject to certain exceptions, leases with a term of more than 12 months will be recognised as right-of-use assets, and the transactions contemplated thereunder will be recognised as an acquisition of right-of-use assets. The right-of-use assets represented the right to use the underlying leased asset over the lease term and the lease liability represented the obligation to make lease payments (i.e. the rent). The asset and the liability arising from the lease are initially measured on present value basis and calculated by discounting the noncancellable lease payments under the relevant agreement, using the incremental borrowing rate as the discount rate. Under IFRS 16 and in the consolidated statement of comprehensive income of the Group, the Group shall recognise (i) depreciation charge over the shorter of the useful life of the assets and the lease term, and (ii) interest expenses amortised from the lease liability over the lease term.

As such, the annual cap under the New Property Lease Agreement was amended such that it reflects the total value of the right-of-use asset contemplated under the New Property Lease Agreement. The Directors (including the independent non-executive

Directors), having considered the value of the Company's right-of-use of the assets contemplated under the New Property Lease Agreement for the lease term, revise the annual cap for the New Property Lease Agreement as follows:

Period	Total value of right-of-assets relating to the leases to be entered into by the Group acting as tenant in accordance with the New Property Lease Agreement (RMB'000)
For the year ending 31 December 2022	11,940
For the year ending 31 December 2023	12,236
For the year ending 31 December 2024	12,476

Save as to the above amendments to the annual cap, all other information and contents of the Announcement remain unchanged.

By Order of the Board
China Digital Video Holdings Limited
ZHENG Fushuang
Chairman

Hong Kong, 11 June 2021

As at the date of this announcement, the executive Directors are Mr. ZHENG Fushuang, Mr. LIU Baodong and Mr. PANG Gang, and the independent non-executive Directors are Mr. Frank CHRISTIAENS, Ms. CAO Qian and Dr. LI Wanshou.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and be posted on the website of the Company at www.cdv.com.