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TCL INTERNATIONAL HOLDINGS LIMITED

TCL 國際 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

Announcement

The proposed A-shares Listing of TCL Corporation, the ultimate controlling shareholder of the Company, and its long term strategy and goal of business development.

This announcement is made pursuant to paragraph 2 of the Listing Agreement to disclose the following information which is or may be of a price-sensitive nature.

The board of directors (the "Board") of TCL International Holdings Limited (the "Company" and its subsidiaries, the "Group") is pleased to note that the application made by TCL Corporation ("TCL Corp." and its subsidiaries, the "TCL Corp. Group"), a joint stock company established under the People's Republic of China (the "PRC") and the ultimate controlling shareholder of the Company, in respect of its A-shares listing on the Shenzhen Stock Exchange ("A-shares Listing") has been approved by the China Securities Regulatory Commission. Statement has been made by TCL Corp. on 5 January 2004 in the PRC setting out the listing schedule and certain material information to be disclosed in the prospectus to be issued by TCL Corp. for the A-shares Listing.

The information includes that concerning the long term business intentions of TCL Corp. in relation to the Group. It is envisaged that gradual efforts will be made by TCL Corp. to more clearly distinguish its business and the business of the Group such that in future TCL Corp. Group will focus on the business of communication, home appliances, electrical products and parts thereof, while the Group will focus on multi-media electronic products and information technology products which are mainly computers. Such efforts may involve restructuring of the Group's 40.8% interest in Huizhou TCL Mobile Communication Co., Ltd. ("Mobile Interest"). As disclosed in the latest audited financial statements of the Company, the Mobile Interest contributed to approximately 26% of the consolidated net tangible assets and, taking into account the amortization of goodwill on acquisition, approximately 50% of the consolidated net profit of the Group for the financial year ended 31 December 2002. As disclosed in the latest unaudited results announcement of the Company, the Mobile Interest contributed to approximately 26% of the consolidated net tangible assets and, taking into account the amortization of goodwill on acquisition, approximately 40% of the consolidated net profit of the Group for the nine months ended 30 September 2003.

In the light of the above, the Board will be considering restructuring the Mobile Interest. When considering any opportunity for restructuring of the Mobile Interest, the Board will no doubt take into consideration the wishes of its shareholders as a whole (including those of TCL Corp.) and the

effect on the Group. Should any concrete plan or agreement in respect of the restructuring mature to a stage where disclosure is appropriate or required, the Company will comply with the relevant Listing Rules to make the relevant disclosure.

The Board confirms that, save as disclosed above and the negotiation with Thomson S.A. for signing of the Definitive Agreements (as defined in the announcement of the Company dated 3 November 2003) with a view to establish a major global joint venture engaging in the business of research and development, manufacture, distribution and sales of television and DVD devices, there are no negotiations or agreements relating to intended acquisitions or realisation which are discloseable under paragraph 3 of the Listing Agreement, nor is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

The Group is a major industry leader in the design, manufacture and sales of a wide range of multimedia electronic consumer products in PRC and overseas markets. Riding on the success of its mainstream businesses in multimedia consumer electronic products which include colour television sets, the Company is expanding into the arenas of information technology and communication products.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

On behalf of the Board
Li Dong Sheng
Chairman

Hong Kong, 5 January 2004

*Please also refer to the published version of this announcement in (**The Standard**)*