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TCL INTERNATIONAL HOLDINGS LIMITED

(TCL 國際 控 股 有 限 公 司)

(incorporated in Cayman Islands with limited liability)

(Stock Code: 1070)

Proposed Restructuring and Listing of TCL Mobile Interest Possible Distribution in Specie of the Group's Interest in TCL Mobile

The Board wishes to announce that TCL Communication, which upon completion of the Proposed Reorganisation will become the holding company of TCL Mobile in which the Group currently holds a 40.8% equity interest, has applied for an advance booking to the Stock Exchange on 6 April 2004 for the listing of, and permission to deal in, the shares of TCL Communication on the main board of the Stock Exchange.

The Company has strived to restructure its portfolio of business to focus primarily on multi-media electronic products (including televisions and computers) and to expand its business overseas. Accordingly, the Company has been considering various options of restructuring its interests in businesses other than its multi-media business. Such restructuring will only be executed if the Board believes it is in the interests of the Shareholders. It is therefore intended that TCL Mobile Group be reorganized in preparation for a proposed listing thereof and that a proposed distribution of the Company's interest in the TCL Mobile Group be effected.

At present TCL Mobile is owned as to 40.8%, 36%, 10%, 9% and 4.2% by TCL BVI (a wholly owned subsidiary of the Company), TCL Corporation (the ultimate controlling shareholder of the Company), Cheerful Asset, Jasper Ace and Mate Fair respectively.

It is intended that the Global Offering will be conducted concurrently with the Proposed Listing but the terms, size and the structure of the Global Offering have yet to be determined.

In connection with the Proposed Listing, the Board is considering to declare a special interim dividend to the Shareholders which will be satisfied by a distribution in specie of all the shares of TCL Communication to be acquired by the Company as a result of the Proposed Reorganisation. If the Proposed Distribution is implemented as intended, the Company will not have any equity interest in TCL Communication.

The Proposed Listing does not require approval of the Shareholders under Practice Note 15 of the Listing Rules. However, the Proposed Distribution will require approval from the Shareholders pursuant to the Articles of Association of the Company.

A further announcement will be made as and when necessary in relation to the Proposed Listing and Proposed Distribution. **The Board emphasizes that as the Proposed Listing and/or the Proposed Distribution may or may not proceed, Shareholders are reminded to exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to the requirements of Rule 13.09(1) of Listing Rules.

INTRODUCTION

This announcement is made pursuant to the requirements of Rule 13.09(1) of the Listing Rules.

Reference is made to the announcement of the Company dated 30 March 2004, the Board wishes to announce that TCL Communication, which upon completion of the Proposed Reorganisation will become the holding company of TCL Mobile in which the Group currently holds a 40.8% equity interest, has applied for an advance booking to the Stock Exchange on 6 April 2004 for the listing of, and permission to deal in, the shares of TCL Communication on the main board of the Stock Exchange.

The Company has strived to restructure its portfolio of business to focus primarily on multi-media electronic products (including televisions and computers) and to expand its business overseas. The signing of the Combination Agreement for establishment of TTE to combine the respective TV businesses and assets of the Group and the Thomson Group was a significant step of achieving such goal. For details of the Combination Agreement, please refer to the press announcement issued by the Company dated 30 January 2004. Accordingly, the Company has been considering various options of restructuring its interests in businesses other than its multi-media business. Such restructuring will only be executed if the Board believes it is in the interests of the Shareholders.

It is therefore intended that TCL Mobile Group be reorganized in preparation for a proposed listing thereof and that a proposed distribution of the Company's interest in the TCL Mobile Group be effected.

The Global Offering will be conditional on, among other things, obtaining relevant regulatory approvals and the market conditions prevailing at the time of the Global Offering. **There can be no assurance that approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the shares of TCL Communication on the main board of the Stock Exchange will be granted.**

PROPOSED REORGANISATION

TCL Mobile is engaged in the design, development, manufacture, sales and marketing of a broad range of mobile handsets with various levels of value-added features. 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 37% of the consolidated net profit of the Group for the financial year ended 31 December 2003. For details of the financial information of TCL Mobile Group, please refer to the press announcement issued by the Company dated 2 March 2004.

At present TCL Mobile is owned as to 40.8%, 36%, 10%, 9% and 4.2% by TCL BVI (a wholly owned subsidiary of the Company), TCL Corporation (the ultimate controlling shareholder of the Company), Cheerful Asset, Jasper Ace and Mate Fair respectively. Cheerful Asset is a company controlled by the management of TCL Mobile of which Mr. Wan Mingjian is a director of TCL Corporation. Nam Tai currently holds a 3.69% equity interest in TCL Corporation. A contract was signed by Nam Tai on 31 March 2004 to acquire 100% interest in Jasper Ace and to dispose of all its 72.2% interest in Mate Fair and completion of the contract is expected to take place on 21 April 2004. Save as aforesaid, each of Cheerful Asset, Jasper Ace and Mate Fair does not have any relationship with TCL Corporation nor does any of them have any relationship amongst each other.

Immediately after completion of the Proposed Reorganisation, TCL Communication will be the holding company of TCL Mobile Group and the Company is expected to hold 40.8% of the then issued share capital of TCL Communication.

PROPOSED LISTING

It is intended that the shares to be offered for subscription or purchase in connection with the Proposed Listing will be offered under the Global Offering. The terms, size and the structure of the Global Offering and accordingly the Company's eventual holding in TCL Communication have yet to be determined.

PROPOSED DISTRIBUTION

In connection with the Proposed Listing, the Board is considering to declare a special interim dividend to the Shareholders which will be satisfied by a distribution in specie of all the shares of TCL Communication to be acquired by the Company as a result of the Proposed Reorganisation. Such number of shares will be pro rata to its equity interest in TCL Mobile prior to the Proposed Reorganisation. The exact terms, structure and mechanism of the Proposed Distribution are currently being considered. If the Proposed Distribution is implemented as intended, the Shareholders (including TCL Industries), will receive such number of shares of TCL Communication pro rata to their respective shareholding in the Company and the Company will not have any equity interest in TCL Communication.

The Proposed Distribution, if implemented, will also help pave the way for the restructuring contemplated under the Combination Agreement. The Combination Agreement provides for the entering into of the Exchange Option Agreement which, when signed, will involve the Company granting an irrevocable option to Thomson to exchange its shares in TTE for new Shares to be issued by the Company which will become exercisable within 18 months from Closing. The number of Shares to be issued on exercise of the option will largely depend on whether the Group will by that time still retain the Mobile Interest.

Following the implementation of the Proposed Distribution, the Board believes that the Group will be able to focus on the development of its multi-media business and would continue to be an attractive investment opportunity to the investors having regard to a stable increase of revenue from its multi-media business and the potential future growth from TTE, the proposed joint venture with Thomson.

GENERAL

The Proposed Listing does not require approval of Shareholders under Practice Note 15 of the Listing Rules as TCL Communication is not a subsidiary of the Company and will not become a subsidiary of the Company pursuant to the Proposed Reorganisation. Further, the Proposed Distribution would also require Shareholders' approvals pursuant to the articles of association of the Company.

A further announcement will be made as and when appropriate in relation to the Proposed Listing and Proposed Distribution. **The Board emphasizes that as the Proposed Listing and/or the Proposed Distribution may or may not proceed, Shareholders are reminded to exercise caution when dealing in the securities of the Company.**

As at the date of this announcement, the Board comprises Li Dong Sheng, Yuan Xin Cheng, Lu Zhong Li, Hu Qiu Sheng, Yan Yong and Suen Hay Wai as executive directors and Hon Fong Ming and Albert Thomas da Rosa, Junior as independent non-executive directors.

DEFINITIONS

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| “Board” | the board of Directors |
| “Cheerful Asset” | Cheerful Asset Investments Limited, a company incorporated in the British Virgin Islands |
| “Closing” | the closing of the transactions contemplated under the Combination Agreement |
| “Combination Agreement” | the combination agreement dated 28 January 2004 entered into by the Company, Thomson and TCL Corporation in respect of the establishment of TTE |
| “Company” | TCL International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Exchange Option Agreement” | the exchange option agreement stipulated under the Combination Agreement to be entered into between Thomson and the Company on or prior to the Closing |
| “Global Offering” | the offering of shares of TCL Communication which comprises a public offering in Hong Kong and an international placing to qualified institutional investors in and outside the United States in accordance with the relevant rules and regulations |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |

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| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Jasper Ace” | Jasper Ace Limited, a company incorporated in the British Virgin Islands |
| “Listing Rules” | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Mate Fair” | Mate Fair Group Limited, a company incorporated in the British Virgin Islands |
| “Mobile Interest” | the Group’s 40.8% interest in TCL Mobile and all rights, entitlement and interest derived or exchanged therefrom or distributed in relation thereto (whether in cash or in kind) |
| “Nam Tai” | Nam Tai Electronics, Inc., a company incorporated in the British Virgin Islands with limited liability, the securities of which are listed on the New York Stock Exchange, Frankfurt Stock Exchange and Chicago Board Options Exchange |
| “PRC” or “China” | the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement |
| “Proposed Distribution” | the proposed declaration of a special interim dividend to the Shareholders which is expected to be satisfied by a distribution in specie of all the shares of TCL Communication to be acquired by the Company as a result of the Proposed Reorganisation |
| “Proposed Listing” | the proposed listing of the shares in TCL Communication on the main board of the Stock Exchange |
| “Proposed Reorganisation” | the proposed reorganisation of TCL Mobile Group in preparation for the Proposed Listing |
| “Share(s)” | share(s) of HK\$0.10 each in the capital of the Company |
| “Shareholder” | holder of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “TCL Communication” | TCL Communication Technology Holdings Limited, a company incorporated in the Cayman Islands |
| “TCL Industries” | T.C.L. Industries Holdings (H.K.) Limited, a company incorporated in Hong Kong, a direct wholly owned subsidiary of TCL Corporation and the immediate holding company of the Company, currently holding 1,461,685,289 Shares representing 53.49% of the entire issued share capital of the Company |
| “TCL BVI” | TCL Holdings (BVI) Limited, a wholly-owned subsidiary of the Company |

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| “TCL Corporation” | TCL Corporation (TCL 集團股份有限公司), a joint stock company established under the laws of the PRC, the shares of which are listed on the Shenzhen Stock Exchange and is the ultimate controlling Shareholder of the Company |
| “TCL Mobile” | Huizhou TCL Mobile Communication Co., Ltd. (惠州 TCL 移動通信有限公司), a company incorporated in the PRC in which the Company currently indirectly holds a 40.8% equity interest |
| “TCL Mobile Group” | TCL Mobile and its subsidiaries |
| “Thomson” | Thomson S.A., a company incorporated under the laws of France, whose shares are listed on the <i>Premier Marché</i> of Euronext Paris S.A. and on the New York Stock Exchange in the form of American depository receipt shares |
| “Thomson Group” | Thomson and its subsidiaries |
| “TTE” | a company to be established pursuant to the Combination Agreement to be named as TCL-Thomson Electronics Limited |
| “TV” | television |

On behalf of the Board
Li Dong Sheng
Chairman

Hong Kong, 6 April 2004

Please also refer to the published version of this announcement in the (South China Morning Post)