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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)

(Stock Code: 1070)

LOAN FACILITY FOR REFINANCING WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

For purpose of refinancing of the bridge loan under a bridging loan agreement signed in August 2004, the Company as borrower entered into a facility agreement in respect of term and revolving loan facilities with similar covenants as the bridging loan agreement relating to specific performance of the controlling shareholder of the Company.

This announcement is made by the Company pursuant to rule 13.18 of the Listing Rules.

This announcement is made by TCL International Holdings Limited (“Company”, together with its subsidiaries, “Group”), pursuant to rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

Reference is made to the announcement of the Company dated 4 August 2004 in relation to a facility agreement (“Bridging Loan Agreement”) entered into by the Company as borrower on 3 August 2004 in respect of a bridging loan facility of up to US\$180,000,000. The board of directors of the Company (“Board”) is pleased to announce that the Company entered into a new facility agreement (“Term Loan Agreement”) with a group of banks on 16 November 2004 in relation to dual currency term and revolving loan facilities of up to US\$180,000,000 to refinance the bridge loan under the Bridging Loan Agreement. The term loan under the Term Loan Agreement has a tenor of five years and are repayable in five equal semi-annual installments, commencing 36 months from the date of the Term Loan Agreement with margin of 0.6% per annum above the inter-bank offer rate.

Similar to the Bridging Loan Agreement, the Term Loan Agreement provides that it would be an event of default if TCL Corporation, the ultimate controlling shareholder (currently holding approximately 54.8% interest) of the Company, ceases to beneficially and directly or indirectly own less than 35% or to be the single largest holder (beneficially and directly or indirectly) of the ordinary voting capital of the Company, or to maintain board and management control of the Company, and in the event of default, the lending banks may, among others, demand immediate repayment of all or any of the loans made to the Company under the Term Loan Agreement, together with accrued interest.

As at the date of this announcement, the Board comprises Li Dong Sheng, Zhao Zhong Yao, Lu Zhong Li, Hu Qiu Sheng, Yan Yong and Suen Hay Wai as executive directors, Albert Thomas da Rosa, Junior as non-executive director and Hon Fong Ming, Wang Bing and Tang Guliang as independent non-executive directors.

On behalf of the Board
Li Dong Sheng
Chairman

Hong Kong, 16 November 2004

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