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TCL 多媒體科技控股有限公司

TCL MULTIMEDIA TECHNOLOGY HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1070)

CLOSING OF TRANSFER AGREEMENTS

The Board is pleased to announce that closing of all of the transactions contemplated under the NA Transfer Agreement and some of the transactions contemplated under the European Master Transfer Agreement took place on 1 September 2005. With respect to those transactions contemplated under the European Master Transfer Agreement that have not yet been closed, they will be closed on or prior to 1 November 2005.

Reference is made to the Company's announcement dated 12 July 2005 and the Company's circular dated 2 August 2005 ("Circular") regarding the Transfer Agreements and the Related Agreements. Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Circular.

The Board is pleased to announce that closing of all of the transactions contemplated under the NA Transfer Agreement and the transactions contemplated under the European Master Transfer Agreement with respect to France, the United Kingdom, Belgium, Italy, Spain, Portugal and Sweden took place on 1 September 2005. The closing of the transactions for France, the United Kingdom, Belgium, Italy, Spain, Portugal and Sweden ("Initial Europe Closing") represents the closing of a substantial portion of the total transactions contemplated under the European Master Transfer Agreement.

Prior to such closings under the NA Transfer Agreement and the European Master Transfer Agreement, the Group and the Thomson Group have entered into a transfer closing agreement ("Transfer Closing Agreement") on 1 September 2005 to modify certain terms of the Transfer Agreements to: (1) permit the relevant parties to the NA Transfer Agreement and the European Master Transfer Agreement to close on 1 September 2005 on an accelerated basis; and (2) close the various transactions contemplated under the European Master Transfer Agreement in two or more stages. Pursuant to the Transfer Closing Agreement, following the closing on 1 September 2005 as aforesaid, the relevant parties to the European Master Transfer Agreement shall cause the closing ("Subsequent Europe Closings") of the transactions contemplated thereunder with respect to the remaining European countries, namely Germany, Austria, Poland, Hungary, the Czech Republic, Russia and Switzerland (collectively, "Later Stage Countries") to occur on or prior to 1 November 2005.

Since not all of the contemplated transactions under the European Master Transfer Agreement have been closed simultaneously with the closing of the transactions under the NA Transfer Agreement, the Group and the Thomson Group have agreed in the Transfer Closing Agreement that the EMEA Agency Agreement in respect of provision of product sales, marketing and management activities related to TV for the TTE Group in Europe, Middle East and Africa will not be terminated upon the Initial Europe Closing, but will instead continue to operate until all of the transactions with respect to the Later Stage Countries under the European Master Transfer Agreement have closed. Save for the modifications made in respect of the EMEA Agency Agreement as aforesaid which will cover the Later Stage Countries, other agreements contemplated in relation to the Transfer Agreements will be proceeded in the way as mentioned in the Circular. The Directors believe that the above described arrangements are beneficial to the Group because

they permit the Group to commence sales and marketing activities in Europe immediately without waiting for the Subsequent Europe Closings, which constitute a relatively small portion of the total transactions contemplated under the European Master Transfer Agreement.

In accordance with the provisions of the Transfer Agreements, all the Related Agreements have been duly executed on 1 September 2005.

As at the date of this announcement, the Board comprises Li Dong Sheng, Zhao Zhong Yao, Lu Zhong Li, Hu Qiu Sheng, Yan Yong, Alastair Kenneth Ruskin Campbell and Didier Trutt 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, 2 September 2005

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