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## **TCL Multimedia Technology Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1070)**

- (1) PROPOSED RIGHTS ISSUE OF NOT LESS THAN 1,951,475,863 RIGHTS SHARES AND NOT MORE THAN 2,019,010,863 RIGHTS SHARES OF HK\$0.1 EACH AT HK\$0.40 PER RIGHTS SHARE PAYABLE IN FULL ON ACCEPTANCE (IN THE PROPORTION OF 1 RIGHTS SHARE FOR EVERY 2 EXISTING SHARES HELD ON THE RECORD DATE);**
- (2) APPLICATION FOR WHITEWASH WAIVER; AND**
- (3) INCREASE OF THE AUTHORIZED SHARE CAPITAL AND ALLOTMENT OF THE CONVERSION SHARES IN RELATION TO THE PROPOSED ISSUE OF 4.5% CONVERTIBLE BONDS DUE 2012**

### **DESPATCH OF CIRCULAR**

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The Board is pleased to announce that the Circular containing, among other things, details of the Rights Issue, the Whitewash Waiver and the Bonds, the advice and recommendation of the Independent Board Committee to the Independent Shareholders and the letter from Taifook Capital Limited to the Independent Board Committee together with a notice convening the EGM and a form of proxy has been despatched to the Shareholders on 5 June 2007 in accordance with the Listing Rules and the Takeovers Code.

The Company's register of members will be closed from 18 June 2007 to 21 June 2007, both dates inclusive, for the purpose of, among other things, establishing entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

**Shareholders are advised to read carefully the contents of the Circular, in particular, the recommendation of the Independent Board Committee and the advice of Taifook Capital Limited before considering the resolutions to approve the Whitewash Waiver, the increase of the authorized share capital and the issue and allotment of the Conversion Shares.**

#### **WARNINGS OF THE RISKS OF DEALING IN THE SHARES AND RIGHTS SHARES IN THEIR NIL-PAID FORM**

**The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out under the sub-section headed "Conditions of the Rights Issue" in the Circular. In particular, the Rights Issue is subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.**

**The Shares will be dealt in on an ex-rights basis from 14 June 2007.**

**Dealings in the Rights Shares in their nil-paid form will take place from 26 June 2007 to 4 July 2007 (both dates inclusive). If the Underwriter terminates the Underwriting Agreement, or the conditions of the Rights Issue are not fulfilled and/or waived on or before the Latest Acceptance Time (or such later time and/or date as the Company and the Underwriter may determine in writing), the Rights Issue will not proceed.**

**Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form up to the date when the conditions of the Rights Issue are fulfilled (which is expected to be 11 July 2007) will accordingly bear the risk that the Rights Issue could not become unconditional and may not proceed.**

**Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their own professional advisers.**

Reference is made to the announcement dated 15 May 2007 issued by TCL Multimedia Technology Holdings Limited (the "Company") in relation to, among other things, the proposed Rights Issue and application for the Whitewash Waiver and the announcement dated 21 May 2007 issued by the Company in relation to, among other things, the proposed issue of the Bonds (the "Announcements"). Unless the context requires otherwise, words defined in the Announcements have the same meanings when used in this announcement.

## DESPATCH OF CIRCULAR

The Board is pleased to announce that a circular (the "Circular") containing, among other things, details of the Rights Issue, the Whitewash Waiver and the Bonds, the advice and recommendation of the Independent Board Committee to the Independent Shareholders and the letter from Taifook Capital Limited to the Independent Board Committee together with a notice convening the EGM and a form of proxy has been despatched to the Shareholders on 5 June 2007 in accordance with the Listing Rules and the Takeovers Code.

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**Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form up to the date when the conditions of the Rights Issue are fulfilled (which is expected to be 11 July 2007) will accordingly bear the risk that the Rights Issue could not become unconditional and may not proceed.**

**Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their own professional advisers.**

## EXPECTED TIMETABLE FOR THE RIGHTS ISSUE

The expected timetable for the Rights Issue set out below is indicative only and has been prepared on the assumption that the Rights Issue will become unconditional. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as soon as practicable. All times and dates in this announcement refer to Hong Kong local times and dates.

*Hong Kong time (2007)*

Despatch of the Company's circular with notice of EGM .....	5 June
Last day of dealing in Shares on a cum-rights basis .....	13 June
First day of dealing in Shares on an ex-rights basis .....	14 June
Latest time for lodging transfer of Shares in order to qualify for the Rights Issue .....	4:00 p.m. on 15 June
Latest time for return of the form of proxy for use at the EGM .....	2:30 p.m. on 19 June
Register of members of the Company closes (both dates inclusive) .....	18 June to 21 June
Date of EGM .....	2:30 p.m. on 21 June
Record Date .....	21 June
Announcement of results of EGM appears in newspapers .....	22 June
Register of members re-opens .....	22 June
Despatch of the Rights Issue Documents .....	22 June
First day of dealings in nil-paid Rights Shares .....	26 June
Latest time for splitting of nil-paid Rights Shares .....	4:00 p.m. on 28 June
Last day of dealings in nil-paid Rights Shares .....	4 July
Latest time for acceptance of and payment for Rights Shares .....	4:00 p.m. on 9 July
Latest time for the Rights Issue to become unconditional .....	4:00 p.m. on 11 July
Announcement of results of acceptance of and excess applications for the Rights Issue appears in newspapers .....	13 July

Despatch of refund cheques in respect of unsuccessful or partially unsuccessful excess applications for excess Rights Shares on or before .....	16 July
Despatch of certificates for fully-paid Rights Shares on or before .....	16 July
Commencement of dealings in fully-paid Rights Shares .....	18 July

*Note:*

**EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

The latest time for acceptance of and payment for the Rights Shares will not take place if there is:

- (i) a tropical cyclone warning signal number 8 or above; or
- (ii) a “black” rainstorm warning

in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of and payment for the Rights Shares. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day, which does not have either of those warnings in force in Hong Kong at any time between 12:00 noon and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on the expected latest date for acceptance of the offer of the Rights Shares, the dates subsequent to the said latest expected date mentioned in this section may be affected. A press announcement will be made by the Company in such event as soon as practicable.

On behalf of the Board  
**Li Dongsheng**  
*Chairman*

Hong Kong, 5 June 2007

*As at the date of this announcement, the Board comprises Li Dongsheng, Lu Zhongli, Wang Kangping, Shi Wanwen and Yuan Bing as executive directors, Albert Thomas da Rosa, Junior as non-executive director and Tang Guliang, Wang Bing and Robert Maarten Westerhof as independent non-executive directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

Please also refer to the published version of this announcement in South China Morning Post - Classified.