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TCL MULTIMEDIA TECHNOLOGY HOLDINGS LIMITED

TCL 多媒體科技控股有限公司

(the "Company")

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

CONNECTED TRANSACTION TRANSFER OF LAND USE RIGHTS IN THE PRC

On 26 July 2010, TCL King (Huizhou) (an indirect wholly owned subsidiary of the Company) and TCL Corporation entered into the First Transfer Agreement pursuant to which TCL King (Huizhou) has agreed to transfer to TCL Corporation the First Land Use Rights at a consideration of RMB594,816 (equivalent to approximately HK\$681,957).

Further, on 26 July 2010, TCL King (Huizhou) and Huizhou Property entered into the Second Transfer Agreement pursuant to which TCL King (Huizhou) has agreed to transfer to Huizhou Property the Second Land Use Rights at a consideration of RMB4,070,000 (equivalent to approximately HK\$4,666,255).

TCL Corporation, the ultimate controlling Shareholder of the Company, currently holds approximately 51.69% of the issued share capital of the Company. Therefore, TCL Corporation is a connected person of the Company under the Listing Rules. Huizhou Property is a subsidiary of TCL Corporation. Accordingly, Huizhou Property is an associate of TCL Corporation, thus a connected person of the Company under the Listing Rules.

Given the nature of the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement are similar and the transactions were negotiated as one package, these transactions are aggregated as if they were one transaction pursuant to Rule 14A.25 of the Listing Rules. As the relevant percentage ratios of the aggregated transaction, other than the profits ratio and where applicable, as defined under Rule 14.07 of the Listing Rules are more than 0.1% but less than 5%, the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement, where aggregated pursuant to Rule 14A.25, are subject to reporting and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

FIRST TRANSFER AGREEMENT

Date: 26 July 2010

Parties: (i) TCL King (Huizhou) – vendor
(ii) TCL Corporation – purchaser

Subject matter to be transferred: The First Transfer Agreement was executed to transfer the First Land which is located at Section 19, Zhongkai Development Zone, Huizhou, Guangdong, PRC (中國廣東省惠州市仲愷開發區19號) with 1,549 square meters.

TCL King (Huizhou) agreed to transfer the First Land Use Rights to TCL Corporation through Huizhou City Land Trading Center (惠州市土地交易中心) by transaction authentication (交易鑒証).

According to the State-owned Land Use Rights Certificate of the PRC (中華人民共和國國有土地使用証) and the legal opinion of the PRC lawyers obtained by the Company, TCL King (Huizhou) is the owner of the First Land Use Rights.

According to the accounts of TCL King (Huizhou), the book value of the First Land as at 30 June 2010 was approximately RMB294,000 (equivalent to approximately HK\$337,071). According to a valuation report prepared by an independent valuer Baozhi Real Estate Valuation Office Co., Ltd. of Huizhou, the value of the First Land is assessed to be RMB594,816 (equivalent to approximately HK\$681,957) as at 23 June 2010.

The First Land was vacant and thus did not generate any revenue or profits to the Group for the years ended 31 December 2008 and 2009.

Consideration: The total consideration was RMB594,816 (equivalent to approximately HK\$681,957) (i.e. RMB384 (equivalent to approximately HK\$440) per square meter) and was arrived at after arm's length negotiations between the parties thereto and on normal commercial terms and with reference to the book value of the First Land as at 30 June 2010 plus the provision for the expenses and tax incurred by TCL King (Huizhou) as a result of the transfer. Therefore, the Group would not record any gain or loss as result of the disposal of the First Land.

Payment terms: TCL Corporation shall pay 20% of the total consideration (i.e. approximately RMB118,963 (equivalent to approximately HK\$136,391)) at the date of the First Transfer Agreement. The balance shall be settled within 10 days after the transfer procedures are completed.

SECOND TRANSFER AGREEMENT

Date: 26 July 2010

Parties: (i) TCL King (Huizhou) – vendor
(ii) Huizhou Property – purchaser

Subject matter to be transferred: The Second Transfer Agreement was executed to transfer the Second Land which is located at Section 19, Zhongkai Development Zone, Huizhou, Guangdong, PRC (中國廣東省惠州市仲愷開發區19號) with 8,574.8 square meter, about 5.5 times of the size of the First Land.

TCL King (Huizhou) agreed to transfer the Second Land Use Rights to Huizhou Property through Huizhou City Land Trading Center (惠州市土地交易中心) by transaction authentication (交易鑒証).

According to the State-owned Land Use Rights Certificate of the PRC (中華人民共和國國有土地使用証) and the legal opinion of the PRC lawyers obtained by the Company, TCL King (Huizhou) is the owner of the Second Land Use Rights.

According to the accounts of TCL King (Huizhou), the book value of the Second Land as at 30 June 2010 was approximately RMB3,676,000 (equivalent to approximately HK\$4,214,534). According to a valuation report prepared by an independent valuer Baozhi Real Estate Valuation Office Co., Ltd. of Huizhou, the value of the Second Land is assessed to be RMB3,292,723 (equivalent to approximately HK\$3,775,107) as at 23 June 2010.

The Second Land was used by the Group as temporary storage and thus did not generate any revenue or profits to the Group for the years ended 31 December 2008 and 2009.

Consideration: The total consideration was RMB4,070,000 (equivalent to approximately HK\$4,666,255) (i.e. RMB475 (equivalent to approximately HK\$545) per square meter) and was arrived at after arm's length negotiations between the parties thereto and on normal commercial terms and with reference to the book value of the Second Land as at 30 June 2010 plus the provision for the expenses and tax incurred by TCL King (Huizhou) as a result of the transfer. Therefore, the Group would not record any gain or loss as result of the disposal of the Second Land.

Payment terms: Huizhou Property shall pay 20% of the total consideration (i.e. approximately RMB810,000 (equivalent to approximately HK\$928,665)) at the date of the Second Transfer Agreement. The balance shall be settled within 10 days after the transfer procedures are completed.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Given that the consideration is determined with reference to the book value of the First Land and the Second Land as at 30 June 2010 plus the provision for the expenses and tax incurred by TCL King (Huizhou) as a result of the transfer, the Group will not record any gain or loss as a result of the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement. Nevertheless, the transfers allow the Group to dispose of assets which are not of much use to the Group and obtain the sale proceeds therefrom and therefore increase the cash position of the Group. The proceeds arising from the transfers will be used as general working capital of the Group.

The Directors (including the independent non-executive Directors) consider that the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES REQUIREMENT

TCL Corporation, the ultimate controlling Shareholder of the Company, currently holds approximately 51.69% of the issued share capital of the Company. Therefore, TCL Corporation is a connected person of the Company under the Listing Rules. Huizhou Property is a subsidiary of TCL Corporation. Accordingly, Huizhou Property is an associate of TCL Corporation, thus a connected person of the Company under the Listing Rules.

As the nature of the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement are similar and the transactions were negotiated as one package, these transactions are aggregated as if they were one transaction pursuant to Rule 14A.25 of the Listing Rules. As the relevant percentage ratios of the aggregated transaction, other than the profits ratio and where applicable, as defined under Rule 14.07 of the Listing Rules are more than 0.1% but less than 5%, the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement, where aggregated pursuant to Rule 14A.25, are subject to reporting and announcement requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Though Mr. Li Dongsheng and Mr. Bo Lianming are the directors of TCL Corporation, they do not have a material interest in the transactions contemplated under the First Transfer Agreement and the Second Transfer Agreement. Indeed, none of the Directors has a material interest in the transactions.

GENERAL

The Group, including TCL King (Huizhou), is principally engaged in the manufacture and sale of a wide range of electronic consumer products including television sets and home networking products. The Group has factories in the PRC, Poland, Mexico, Thailand and Vietnam and distributes its products in all major markets globally. For more information on the Group, please visit its official website at www.tclhk.com (the information that appears in this website does not form part of this announcement).

TCL Corporation is a major PRC conglomerate that designs, develops, manufactures, and markets a wide range of electronic, telecommunications, information technology and electrical goods. For further information on TCL Corporation, please visit www.tcl.com.

Huizhou Property, a company established in the PRC and a subsidiary of TCL Corporation, is principally engaged in the real estate development in the PRC.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	TCL Multimedia Technology 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 (stock code: 01070)
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huizhou Property”	惠州市鴻實置業有限公司, a company incorporated under the laws of PRC and an indirect subsidiary of TCL Corporation, which owns 66.5% of the interest in Huizhou Property
“First Land”	1,549 square meters of land located at Section 19, Zhongkai Development Zone, Huizhou, Guangdong, PRC (中國廣東省惠州市仲愷開發區19號) for industrial use (State-owned Land Use Rights Certificate no. 13021400035 (國土證號為惠府國用(2010)第13021400035號))
“First Land Use Rights”	all land use rights held by TCL King (Huizhou) in respect of the First Land for a period up to 14 January 2049
“First Transfer Agreement”	the transfer agreement entered into between TCL King (Huizhou) and TCL Corporation on 26 July 2010 in relation to the transfer of First Land Use Rights
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Second Land”	8,574.8 square meters of land located at Section 19, Zhongkai Development Zone, Huizhou, Guangdong, PRC (中國廣東省惠州市仲愷開發區19號) for industrial use (State-owned Land Use Rights Certificate no. 13021400036 (國土證號為惠府國用(2010)第13021400036號))
“Second Land Use Rights”	all land use rights held by TCL King (Huizhou) in respect of the Second Land for a period up to 14 January 2049

“Second Transfer Agreement”	the transfer agreement entered into between TCL King (Huizhou) and Huizhou Property on 26 July 2010 in relation to the transfer of Second Land Use Rights
“Shareholders”	holders of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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 ultimate controlling shareholder of the Company
“TCL King (Huizhou)”	TCL King Electrical Appliances (Huizhou) Co. Ltd. (TCL王牌電器(惠州)有限公司), a company incorporated under the laws of PRC and an indirect wholly owned subsidiary of the Company

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00 = HK\$1.1465 has been used, where applicable, for purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or at any other rates.

By order of the Board
Li Dongsheng
Chairman

Hong Kong, 26 July 2010

As at the date of this announcement, the Board comprises Li Dongsheng, Bo Lianming, Yu Guanghui, Shi Wanwen and Xu Fang as executive directors, Albert Thomas da Rosa, Junior, Huang Xubin and Leong Yue Wing as non-executive directors and Tang Guliang, Robert Maarten Westerhof and Wu Shihong as independent non-executive directors.