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TCL MULTIMEDIA TECHNOLOGY HOLDINGS LIMITED

TCL 多媒體科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

PROPOSED SPIN-OFF AND SEPARATE LISTING OF TONLY HOLDINGS ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

DECLARATION OF CONDITIONAL SPECIAL INTERIM DIVIDEND BY WAY OF DISTRIBUTION IN SPECIE

CLOSURE OF REGISTER OF MEMBERS

Financial Adviser to the Company



BNP PARIBAS
CORPORATE & INVESTMENT BANKING

Reference is made to the Spin-Off Announcements.

Board Meeting and Declaration of Special Dividend

The meeting of the board of Directors took place on 15 July 2013, at which the Special Dividend was declared, subject to the Conditions. If the Conditions are satisfied, the Special Dividend will be made and satisfied by the Distribution in Specie by the Company of the entire issued share capital of Tonly Holdings. Qualifying Shareholders will be entitled to one Tonly Share for every ten Shares held as at the Distribution Record Date (rounding down any fraction to the nearest whole unit).

Closure of Register of Members and Record Date

If Shareholders have approved the Distribution in Specie at the extraordinary general meeting of the Company to be held on 1 August 2013, the Distribution Record Date will be 7 August 2013. The register of members of the Company will be closed on that day, during which time no transfer of Shares will be effected, and the register of members of the Company will re-open on 8 August 2013. In order to qualify for the entitlement of the Special Dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 6 August 2013.

General

As at the date of this announcement, the listing application of Tonly Holdings is still subject to approval of the Stock Exchange. The Proposed Spin-Off is subject to, among other things, the final decisions of the Board and the board of directors of Tonly Holdings to proceed with the Proposed Spin-Off. There is no assurance that the Proposed Spin-Off and the permission to deal in the Tonly Shares on the Main Board will take place, or as to when it may take place. If the Proposed Spin-Off does not become unconditional, the Proposed Spin-Off will not proceed. Further announcement(s) will be made by the Company in relation to the Proposed Spin-Off as and when appropriate. If the Proposed Spin-Off does not proceed for any reason, the Special Dividend will not take effect, and the proposed Distribution in Specie of Tonly Shares will not be made.

Shareholders and potential investors in the Shares are reminded to exercise caution when dealing in the Shares.

INTRODUCTION

Reference is made to the Company's announcements dated 22 February 2013, 19 April 2013, 28 June 2013 and 3 July 2013 regarding the Proposed Spin-Off and separate listing of Tonly Holdings on the Main Board of the Stock Exchange and date of the meeting of the board of Directors to consider, amongst other things, the declaration of the Special Dividend (the "**Spin-Off Announcements**"). Unless otherwise defined in this announcement, capitalised terms defined in the Spin-Off Announcements have the same meanings when used in this announcement.

BOARD MEETING AND DECLARATION OF SPECIAL DIVIDEND

The meeting of the board of Directors took place on 15 July 2013, at which the Special Dividend was declared, subject to the Conditions.

If the Conditions are satisfied, the Special Dividend will be made and satisfied by the Distribution in Specie by the Company of the entire issued share capital of Tonly Holdings. Qualifying Shareholders will be entitled to one Tonly Share for every ten Shares held as at the Distribution Record Date (rounding down any fraction to the nearest whole unit). Fractional entitlements will not be allotted to the Shareholders but will be aggregated and sold and the sale proceeds after deduction of related expenses will be retained by and for the benefit of Tonly Holdings.

Excluded Shareholders (if any) will be entitled to the Special Dividend but will not receive any Tonly Shares. Instead, the Tonly Shares which they would otherwise receive will be sold by the Company on their behalf as soon as reasonably practicable after commencement of dealings in the Tonly Shares on the Stock Exchange and they will receive a cash amount equal to the net proceeds of such sale, if such net proceeds shall exceed HK\$100.00. The proceeds of such sale, net of expenses, will be paid to the Excluded Shareholders in Hong Kong dollars. If such net proceeds shall be below HK\$100.00, such amount will be retained by Tonly Holdings.

If any of the Conditions is not satisfied, the Special Dividend will not be made and the Proposed Spin-Off will not take place, in which case an announcement will be made.

SEEKING FOR SHAREHOLDERS' SANCTION FOR DISTRIBUTION IN SPECIE

According to the Articles of Association of the Company, the Distribution in Specie shall be subject to the approval by the Shareholders of the Company. For the background of such sanction requirement, please refer to the announcement issued by the Company on 15 July 2013, titled "Seeking for Shareholders' Sanction for Conditional Special Interim Dividend by way of Distribution in Specie".

LISTING RULES IMPLICATION

Following completion of the Proposed Spin-Off, the Company's holding in the issued share capital of Tonly Holdings will be reduced to nil and Tonly Holdings will no longer be a subsidiary of the Company. As such reduction of the Company's shareholding interest in Tonly Holdings will be by way of the distribution in specie alone, it does not constitute and will not be regarded as a transaction by the Company for the purposes of Chapter 14 of the Listing Rules. Accordingly there will be no requirement to comply with the notification or shareholders' approval requirements of Chapter 14 of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

If Shareholders have approved the Distribution in Specie at the extraordinary general meeting of the Company to be held on 1 August 2013, the Distribution Record Date will be 7 August 2013. The register of members of the Company will be closed on that day, during which time no transfer of Shares will be effected, and the register of members of the Company will re-open on 8 August 2013. In order to qualify for the entitlement of the Special Dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 6 August 2013.

GENERAL

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Shareholders and potential investors in the Shares are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

“Conditions”	(1) the Hong Kong Stock Exchange approving the Proposed Spin-Off; (2) the Listing Committee granting the listing of, and permission to deal in, the Tonly Shares in issue on the Main Board; (3) shareholders of the Company approving the Non-Competition Arrangement at the extraordinary general meeting of the Company; and (4) the sanction by Shareholders of the Distribution in Specie at the extraordinary general meeting of the Company
“Distribution Record Date”	7 August 2013, the record date for ascertaining entitlements to the Special Dividend

“Distribution in Specie”	the satisfaction of the Special Dividend by the Company to Shareholders wholly by way of distribution of such amount of the Company’s interest in Tonly Holdings
“Excluded Shareholder(s)”	certain Shareholder(s) whose address on the register of members of the Company is in a jurisdiction outside Hong Kong on the Distribution Record Date and whom the board of Directors, after making enquiries and based on the legal opinion provided by legal advisers, considers it necessary or expedient not to transfer Tonly Shares to, on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Non-Competition Arrangement”	the Deed of Non-Competition (Tonly) and the Second Variation Deed (2013), as defined in the announcement issued by the Company on 15 July 2013, entered into for implementation of the Proposed Spin-Off
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Distribution Record Date other than the Excluded Shareholder(s)

By Order of the Board
LI Dongsheng
Chairman

Hong Kong, 15 July 2013

As at the date of this announcement, the Board comprises LI Dongsheng, ZHAO Zhongyao and YU Guanghui as executive directors, Albert Thomas DA ROSA, Junior, HUANG Xubin, BO Lianming and YAN Xiaolin as non-executive directors, TANG Guliang, Robert Maarten WESTERHOF, WU Shihong and TSENG Shieng-chang Carter as independent non-executive directors and HAO Yi as alternate director to ZHAO Zhongyao.