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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)

AMENDMENTS TO THE RESTRICTED SHARE AWARD SCHEME

AND

CONNECTED TRANSACTION - GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS

AND

GRANT OF RESTRICTED SHARES

Reference is made to the announcement of the Company dated 6 February 2008 and the circular of the Company dated 19 March 2008, both with respect to, inter alia, adoption of the Scheme.

AMENDMENTS TO THE SCHEME

The Board has resolved to make certain amendments to the Scheme. For the purpose of transparency and good corporate governance, the Board proposed to put to the Shareholders for approval at the EGM a resolution for the amendments to the Scheme.

Under the amended Scheme, allocation of Restricted Shares to connected persons of the Group will require compliance with Chapter 14A of the Listing Rules. In any event, the aggregate interests of the connected persons in the Scheme shall at all time be less than 30%.

As at the Latest Practicable Date, no Shareholders are required to abstain from voting regarding the resolution to be put forward at the EGM for approving the proposed amendments to the Scheme and the transaction contemplated thereunder.

GRANT OF RESTRICTED SHARES

Grant of Restricted Shares being new Shares

On 25 June 2015, the Board resolved to conditionally make New Shares Grant on terms of the amended Scheme. This involves granting awards for a total of 43,673,434 Restricted Shares being new Shares to 146 Grantees of New Shares Grant, who are all Employees. The New Shares Grant is subject to (i) the approval of the amendment of the Scheme by the Shareholders at the EGM; (ii) the approval by the Shareholders for the Specific Mandate; and (iii) the approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, such new Shares.

Out of the 146 Grantees of New Shares Grant, 28 are Connected Grantees who are conditionally granted a total of 17,940,918 Restricted Shares being new Shares. The grants of new Shares to such Connected Grantees constitute connected transactions and, in addition to the conditions generally applicable to the making of New Shares Grant, the grants are also subject to the approval by the Independent Shareholders at the EGM.

Grant of Restricted Shares being existing Shares

On the same day, the Board also resolved to conditionally make Existing Shares Grant on terms of the amended Scheme, in consideration of HK\$7,220,795 to be paid by the Grantees of Existing Shares Grant. This involves granting awards for a total of 1,658,873 Restricted Shares being existing Shares to 84 Grantees of Existing Shares Grant, comprising of 4 Employees and 80 persons who are not Employees and all of them are considered by the Board to have contribution to the Group. These 84 Grantees of Existing Shares Grant (including the 4 Employees) are all employees of TCL Corporation Group. The Existing Shares Grant is subject to the approval of the amendment of the Scheme by the Shareholders at the EGM.

Out of the 84 Grantees of Existing Shares Grant, 8 are Connected Grantees who are conditionally granted a total of 477,676 Restricted Shares being existing Shares.

Listing Rules Implications

For the Existing Shares Grant, all of the Share Awards to the Grantees of Existing Shares Grant who are connected persons of the Company are de minimis transactions and are fully exempt from Shareholders' approval, annual review and all disclosure requirements.

Since each of the Connected Grantees under the New Shares Grant are connected persons of the Company by virtue of being a director and/or a chief executive of member(s) of the Group, the proposed Share Awards to them constitute connected transactions of the Company which are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the New Shares Grant to the Connected Grantees.

An independent financial advisor will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the amendment to the Scheme and the New Shares Grant to the Connected Grantees; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders on the New Shares Grant to the Connected Grantees; (iii) the advice from the independent financial advisor to the Independent Board Committee and the Independent Shareholders on the New Shares Grant to the Connected Grantees; and (iv) a notice of the EGM of the Company to be held for considering and approving, if appropriate, the amendment to the Scheme, the Specific Mandate and the New Shares Grant to the Connected Grantees, will be despatched to the Shareholders on or before 16 July 2015.

BACKGROUND

Reference is made to the announcement of the Company dated 6 February 2008 and the circular of the Company dated 19 March 2008, both with respect to, inter alia, adoption of the Scheme. The purpose of the Scheme is to recognise and motivate the contribution of the participants of the Scheme and provide them with incentive rewards by allocating to them existing Shares purchased from the market by the Trustee to be vested in them upon fulfilment of certain vesting conditions.

AMENDMENTS TO THE SCHEME

The Board has resolved to make certain amendments to the Scheme. For the purpose of transparency and good corporate governance, the Board proposed to put to the Shareholders for approval at the EGM a resolution for amendment to the Scheme.

The major amendments to the Scheme are as follows:

1. Eligible Participants

The eligible participants of the Scheme before the proposed amendments cover Employees only. However, over the years since the adoption of the Scheme, the Board has recognised that there are individuals and/or companies which may have an important role in contributing to the success of the Group and the Company would also like to recognise and motivate their contribution. It is therefore proposed that the scope of eligible participants of the Scheme shall be broadened from Employees only to include not only Employees but also advisors, consultants, agents, contractors, clients or suppliers of any member of the Group or any other person whom the Board in its sole discretion considers may contribute or have contributed to the Group.

2. Allotment and issuance of new Shares as Restricted Shares

Given the strain on the cash flow of the Group in connection with purchasing existing Shares on the market for making Share Award to the Participants and sometimes the practical difficulties related to it, it would be more flexible for implementation of the Scheme if the Group is able to use new Shares for the grant of the Share Award. It is therefore proposed that as an alternative to purchase of existing Shares on the market for any awards made under the Scheme, the Board may allot and issue new Shares as Restricted Shares and have the discretion to decide whether the Restricted Shares are the existing Shares to be purchased by the Trustee or new Shares to be allotted and issued to the Trustee.

3. Entitlement to Distributions

As noted above, the purpose of the Scheme is to provide incentives to the Participants to recognise and motivate their contribution to the Group. In order to maximize the incentive effect of the Scheme, it is proposed that in addition to the Restricted Shares, the Selected Persons shall also be entitled to the Related Distribution derived from the relevant Restricted Shares, which mainly covers dividend paid by the Company in respect of the Restricted Shares concerned distributed during the period from the Grant Date to the Vesting Date of the Restricted Shares.

4. Deduction of Restricted Shares for Payment of Tax and Expenses

It is the obligation of the Selected Persons to bear the liability for any tax, levies, expenses and contributions in respect of the grant and vesting of the Restricted Shares. In some cases (particularly in case where the Employees are residents of the PRC), the Company may have to pay such taxes for and on behalf of the Selected Persons at the time when the liabilities arise. The proposed amendment will allow the Company to have the power at its discretion to deduct from such number of Restricted Shares entitled by the relevant Selected Persons certain number of the Restricted Shares which is sufficient to cover the relevant tax liabilities as reimbursement.

5. Scheme Limit

To allow the Board more flexibility to grant Restricted Shares, it is proposed that the maximum aggregate number of Shares awarded by the Board under the Scheme be amended from ten percent of the issued share capital of the Company as at the Adoption Date to ten percent of the issued share capital of the Company as at the Amendment Date, excluding all the Shares awarded under the rules of the pre-amended Scheme up to the Amendment Date. To have a new start for calculating the number of Restricted Shares to be granted under the Scheme would help simplify the operation and increase the operational efficiency of the Scheme.

6. Duration and Termination

The Scheme was effective from the Adoption Date and would continue in full force for 10 years unless in the event of early termination by the Board and upon termination, all Restricted Shares shall become vested in the Selected Persons. In order to allow the Company to continue the use of the Scheme for its purpose, it is proposed that the duration of the Scheme be amended to 15 years from the Adoption Date and the Restricted Shares shall not become vested on the date of termination of the amended Scheme but shall continue to be in full force and effect in accordance with the Amended Scheme Rules and their terms of issue. After the proposed amendment becoming effective, the Scheme would continue in full force until 2023.

Save as aforesaid, other provisions of the Scheme shall substantially remain unchanged and valid. Under the amended Scheme, allocation of Restricted Shares to connected persons of the Group will require compliance with Chapter 14A of the Listing Rules. In any event, the aggregate interests of the connected persons in the Scheme shall at all time be less than 30%.

For the purpose of transparency and good corporate governance, the Board proposed to put to the Shareholders for approval at the EGM a resolution for the amendments to the Scheme. Thus, the amendments to the Scheme are subject to Shareholders' approval. As at the Latest Practicable Date, no Shareholders are required to abstain from voting regarding the resolution to be put forward at the EGM for approving the proposed amendments to the Scheme and the transaction contemplated thereunder.

The Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company.

REASONS FOR THE AMENDMENTS TO THE SCHEME

As mentioned above, the purpose of the Scheme is to recognise and motivate the contribution of certain Participants. The Board also considers that the making of Share Awards is an effective tool for motivating the Participants to contribute to the Group since they allow the Participants to have a direct economic interest in the Company. However, under the current Scheme, Restricted Shares can only be purchased on the market which, to certain extent, restricts the implementation of the Scheme.

The Group is currently at a critical stage of transforming its business by proactively implementing “double +” strategy, encompassing “intelligence + internet” and “products + services” which strives towards enhancing its product competitiveness as well as its fundamental capabilities (the “**Transformation**”). The Board considers the progress of the Transformation is vital to the survival and further development of the Group. The success of the Transformation depends very much on the contribution of the Participants including the Employees. In the circumstances, the Board considers that the expansion of the scope of the eligible participants of the Scheme from Employees to Participants could give the Company the flexibility to motivate such Participants. Against the same backdrop, the Board also considers that the giving of entitlement to Related Distributions to the Selected Persons could further increase the incentive effect of the Scheme. In the event that the Company decides to grant Restricted Shares to those who have made contributions to the Group but who are not an Employee, the Company will require them to pay a consideration in order to recover its costs incurred in relation to the grant. In case the grantee is an Employee, but the grant of Restricted Shares to him/her is not made on the basis of his/her position with the Group, the Company will also require him/her to pay the relevant consideration.

Prior to the proposed amendments to the Scheme, the Company may only instruct the Trustee to purchase existing Shares from the market for grant. However, it is not always easy to purchase sufficient number of Shares for making of Share Award and if the Company is to provide funding for the award, it would constitute a strain on the cash flow position of the Company. Thus, in order to give the Company more flexibility in implementing the Scheme and increase its incentivising features, the Directors proposed to amend the Scheme in the way as suggested above. It is believed that such amendments are beneficial to the Company and its Shareholders as a whole since the Company will be able to grant more Restricted Shares to motivate the Participants. Given the Scheme limit, the Directors view that the Share dilution effect that could be bought about from such allotment and issuance of new Shares is limited.

SPECIFIC MANDATE

As new Shares may be issued and allotted for making of Share Awards under the amended Scheme, the Company will seek its Shareholders’ approval at the EGM for the Specific Mandate for the Restricted Shares being new Shares to be issued and allotted pursuant to the amended Scheme.

As at the Latest Practicable Date, the issued share capital of the Company was 1,341,786,780 fully paid-up Shares. On the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date and up to the date of the EGM, and subject to the passing of the resolutions approving the amendments to the Scheme and the granting of the Specific Mandate, 132,519,805 new Shares (after deduction of the 1,658,873 existing Shares awarded pursuant to the Existing Shares Grant) may be issued and allotted as Restricted Shares under the amended Scheme.

GRANT OF RESTRICTED SHARES

(A) Grant of Restricted Shares being new Shares

On 25 June 2015, the Board resolved to conditionally make New Shares Grant on terms of the amended Scheme. This involves granting awards for a total of 43,673,434 Restricted Shares being new Shares to 146 Grantees of New Shares Grant, who are all Employees of the Group. The New Shares Grant is subject to (i) the approval of the amendment of the Scheme by the Shareholders at the EGM; (ii) the approval by the Shareholders for the Specific Mandate; and (iii) the approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, such new Shares.

Out of the 146 Grantees of New Shares Grant, 28 are Connected Grantees who are conditionally granted a total of 17,940,918 Restricted Shares being new Shares. The grants of new Shares to such Connected Grantees constitute connected transactions and therefore are also subject to the approval by the Independent Shareholders at the EGM.

Details of the Grantees of New Shares Grant who are Connected Grantees and the number of Restricted Shares being new Shares to be granted to them are set out as follows:

Name of Connected Grantee	Relationship with the Group	Number of Restricted Shares to be granted	Approximate percentage of the total issued Shares as at the date of this announcement (%)
BO Lianming	Executive Director	1,841,297	0.14
HAO Yi	Executive Director	1,691,182	0.13
XU Fang	Executive Director	1,161,278	0.09
LI Lu	General manager of a Subsidiary and director of certain Subsidiaries of the Company	901,964	0.07

Name of Connected Grantee	Relationship with the Group	Number of Restricted Shares to be granted	Approximate percentage of the total issued Shares as at the date of this announcement (%)
LIANG Tichang	General manager of a Subsidiary of the Company	676,473	0.05
ZHOU Jieqi	General manager of a Subsidiary of the Company	573,914	0.04
YUAN Ying	General manager and director of a Subsidiary of the Company	385,364	0.03
LI Xiaoyong	General manager and director of a Subsidiary of the Company	383,335	0.03
SUN Xiuhong	General manager of certain Subsidiaries and director of a Subsidiary of the Company	179,367	0.01
PANG Dong	General manager of a Subsidiary and director of certain Subsidiaries of the Company	158,971	0.01
WANG Yi, Michael	Director of certain Subsidiaries of the Company	1,352,945	0.10
XIANG Zheng	Director of a Subsidiary of the Company	1,240,200	0.09
CAI Jingrui	Director of certain Subsidiaries of the Company	1,071,082	0.08
YANG Bin	Director of certain Subsidiaries of the Company	1,033,140	0.08
WANG Cheng	Director of certain Subsidiaries of the Company	901,964	0.07
LIANG Tiemin	Director of certain Subsidiaries of the Company	845,591	0.06
CHEN Rui	Director of a Subsidiary of the Company	450,982	0.03
HOU Daowen	Director of a Subsidiary of the Company	385,364	0.03
CHENG Yu	Director of certain Subsidiaries of the Company	365,295	0.03
SONG Yu	Director of a Subsidiary of the Company	342,746	0.03

Name of Connected Grantee	Relationship with the Group	Number of Restricted Shares to be granted	Approximate percentage of the total issued Shares as at the date of this announcement (%)
WANG Hui	Director of certain Subsidiaries of the Company	342,746	0.03
SIN Manlung	Director of certain Subsidiaries of the Company	338,236	0.03
ZHONG Yunquang	Director of a Subsidiary of the Company	303,601	0.02
ZHONG Xiehe	Director of a Subsidiary of the Company	264,005	0.02
WANG Hao	Director of a Subsidiary of the Company	264,005	0.02
SU Demou	Director of a Subsidiary of the Company	179,367	0.01
YANG Lan	Director of certain Subsidiaries of the Company	155,961	0.01
WU Jiyu	Director of a Subsidiary of the Company	150,543	0.01
	Total:	<u>17,940,918</u>	<u>1.34</u>

The number of Restricted Shares conditionally granted to each of the Grantees of New Shares Grant is determined with reference to the amount of bonus the relevant Grantee is entitled to and the fair value of the Restricted Shares as at the Grant Date.

The said 43,673,434 new Shares shall be allotted and issued at par value to the Trustee who will hold such new Shares for the benefits of the relevant Grantees of New Shares Grant. The Company will bear the cost of such issue and no new funds will be raised.

All the new Shares to be issued pursuant to the grant to Grantees of New Shares Grant, when issued and fully paid, will rank pari passu in all respects with all existing Shares presently in issue and at the time of allotment and issue of the said new Shares.

Vesting Conditions

The Restricted Shares pursuant to the New Shares Grant will be vested to the Grantees in tranches in 2016, 2017, 2018 and 2019, subject to the rules of the amended Scheme and fulfillment of the following vesting conditions:

- (i) for the one-sixth to be vested on 18 May 2016 and another one-sixth to be vested on 18 May 2017, achievement of the performance targets for 2015;
- (ii) for the other one-sixth to be vested on 18 May 2017 and another one-sixth to be vested on 18 May 2018, achievement of the performance targets for 2016; and
- (iii) for the other one-sixth to be vested on 18 May 2018 and another one-sixth to be vested on 18 May 2019, achievement of the performance targets for 2017.

If the vesting conditions in respect of a particular portion of the Restricted Shares cannot be achieved in full, the particular portion of the Restricted Shares shall not be vested in the relevant Grantee.

The proportion of Restricted Shares to be vested in 2016, 2017, 2018 and 2019 to the Grantees of the New Shares Grant who joined the Group during 2015 may vary slightly depending on the exact dates of joining of the relevant Grantees. However, the vesting conditions for the Restricted Shares to be vested in 2016, 2017, 2018 and 2019 are the same as set out above.

(B) Grant of Restricted Shares being existing Shares

On the same day, the Board also resolved to conditionally make Existing Shares Grant on terms of the amended Scheme, in consideration of HK\$7,220,795 to be paid by the Grantees of Existing Shares Grant to cover the costs incurred by the Company in respect of the Existing Shares Grant. This involves granting awards for a total of 1,658,873 Restricted Shares being existing Shares to 84 Grantees of Existing Shares Grant, comprising of 4 Employees and 80 persons who are not Employees and all of them are considered by the Board to have contribution to the Group. These 84 Grantees (including the 4 Employees) are all employees of TCL Corporation Group. The Existing Shares Grant is subject to the approval of the amendment of the Scheme by the Shareholders at the EGM.

Out of the 84 Grantees of Existing Shares Grant, 8 are Connected Grantees who are conditionally granted a total of 477,676 Restricted Shares being existing Shares.

All of the grants to the Connected Grantees of Existing Shares Grant are de minimis transactions and are fully exempt from Shareholders' approval, annual review and all disclosure requirements.

The number of Restricted Shares granted to each Grantees of Existing Shares Grant is determined with reference to the consideration to be paid by the relevant Grantees of Existing Shares Grant and the fair value of the Restricted Shares as at the Grant Date. The fair value of the Restricted Shares granted to the Grantees of Existing Shares Grant is equal to the consideration to be paid by the relevant Grantees of Existing Shares Grant.

Vesting Conditions

The Restricted Shares pursuant to the Existing Shares Grant will be vested to the Grantees in 3 tranches in 2015, 2016 and 2017 equally, subject to the rules of the amended Scheme and fulfillment of the following vesting conditions:

- (i) for the one-third to be vested on 31 December 2015, (i) payment by the relevant Grantee of the difference between the costs incurred by the Company in respect of the Existing Shares Grant to the relevant Grantee and the consideration paid by the relevant Grantee and (ii) the relevant Grantee remaining to be an employee of TCL Corporation Group;
- (ii) for the one-third to be vested on 31 December 2016, (i) payment by the relevant Grantee of the difference between the costs incurred by the Company in respect of the Existing Shares Grant to the relevant Grantee and the consideration paid by the relevant Grantee and (ii) the relevant Grantee remaining to be an employee of TCL Corporation Group; and
- (iii) for the one-third to be vested on 31 December 2017, (i) payment by the relevant Grantee of the difference between the costs incurred by the Company in respect of the Existing Shares Grant to the relevant Grantee and the consideration paid by the relevant Grantee and (ii) the relevant Grantee remaining to be an employee of TCL Corporation Group.

If the vesting conditions in respect of a particular portion of the Restricted Shares cannot be achieved in full, the particular portion of the Restricted Shares shall not be vested to the relevant Grantee.

REASONS FOR AND BENEFITS OF THE GRANTS

The Directors believe that the future success of the Company is closely tied to the commitment and efforts of the Participants who are selected to be the Grantees. As such, the granting of performance-linked award to them can effectively motivate them to provide contributions to the Group.

The Directors (excluding the independent non-executive Directors whose views will be set out in the circular to be despatched to the Shareholders together with the opinion of the independent financial advisor after receiving advice from the independent financial advisor) are of the view that the terms of the grant to the Connected Grantees of New Shares Grant are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors who are the Grantees have abstained from voting on the board resolutions to approve the grant of Restricted Shares to himself / herself.

LISTING RULES IMPLICATIONS

For the Existing Shares Grant, all of the Share Awards to the Grantees of Existing Shares Grant who are connected persons of the Company are de minimis transactions and are fully exempt from Shareholders' approval, annual review and all disclosure requirements.

Since each of the Connected Grantees under the New Shares Grant are connected persons of the Company by virtue of being a director and/or a chief executive of member(s) of the Group, the proposed Share Awards to them constitute connected transactions of the Company which are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The following ordinary resolutions will be proposed at the EGM:

1. resolution for approval of the amendments to the Scheme;
2. resolution for the grant of the Specific Mandate; and
3. resolution for the making of the New Shares Grant to the Connected Grantees.

So far as the Company is aware, none of the Shareholders is materially interested in the amendment to the Scheme and the grant of the Specific Mandate, no Shareholder is required to abstain from voting at the first and second resolutions above.

So far as the Company is aware, none of the Shareholders, other than the Connected Grantees, is materially interested in the making of the New Shares Grant to the Connected Grantees and, as such, the Connected Grantees, but not other Shareholders, are required to abstain from voting at the third resolution above.

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the New Shares Grant to the Connected Grantees.

An independent financial advisor will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the amendment to the Scheme and the New Shares Grant to Connected Grantees; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders on the New Shares Grant to the Connected Grantees; (iii) the advice from the independent financial advisor to the Independent Board Committee and the Independent Shareholders on the New Shares Grant to the Connected Grantees; and (iv) a notice of the EGM of the Company to be held for considering and approving, if appropriate, the amendment to the Scheme, the Specific Mandate and the New Shares Grant to the Connected Grantees, will be despatched to the Shareholders on or before 16 July 2015.

GENERAL INFORMATION

The Group is principally engaged in the manufacture and sale of a wide range of electronic consumer products including television sets. The Group has factories in the PRC, Poland, Mexico and Vietnam and distributes its products in all major markets globally. For more information on the Group, please visit its official website at <http://multimedia.tcl.com> (the information that appears in this website does not form part of this announcement).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“Adoption Date”	6 February 2008, being the date on which the Board adopted the Scheme
“Amended Scheme Rules”	the rules relating to the amended Scheme
“Amendment Date”	the date on which the Shareholders approve the proposed amendments to the Scheme
“Board”	the board of Directors

“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 Grantees”	Grantees who are connected persons of the Company
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held for the purpose of considering and, if thought fit, approving, among other things, the resolutions in relation to the amendments of the Scheme, the Specific Mandate and the Share Awards to the Connected Grantees
“Employee(s) “	any employee (whether full-time or part-time) of any member of the Group (including without limitation any executive and non-executive director of any member of the Group)
“Excluded Person(s)”	any Participant who is resident in a place where the settlement of the reference amount and/or the award of the Restricted Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where in the view of the Board compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Participant
“Existing Shares Grant”	the conditional Share Awards with existing Shares to the Grantees
“Further Shares”	Shares purchased or subscribed by the Trustee out of cash income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon the trust
“Grant Date”	the date specified on the grant letter sent by the Company to the Selected Person(s) as the date of grant of Share Award, or such other date as determined by the Board

“Grantees”	Selected Persons who are grantees of the Grants
“Grants”	the grant of Restricted Shares to the Grantees as disclosed in the sections headed “Grant of Restricted Shares being new Shares” and “Grant of Restricted Shares being existing Shares” of this announcement
“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
“Independent Board Committee”	an independent board committee of the Board comprising all the independent non-executive Directors, namely Mr. TANG Guliang, Mr. Robert Maarten WESTERHOF, Ms. WU Shihong and Dr. TSENG Shieng-chang Carter
“Independent Shareholders”	Shareholders who are not required to abstain from voting on the resolution in respect of the making of Share Awards to the Connected Grantees to be proposed at the EGM
“Latest Practicable Date”	24 June 2015, being the last trading date on which the Shares were traded on the Stock Exchange prior to the issue of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Shares Grant”	the conditional Share Awards with new Shares to the Grantees
“Participant(s)”	any Employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group or any other person whom the Board in its sole discretion considers may contribute or have contributed to the Group
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement

“Related Distribution(s)”	certain distributions derived from an Restricted Share referable to the Selected Person the record date for entitlement of which falls within the period from the Grant Date to the Vesting Date (both days inclusive) of such Restricted Share, which shall include only distributions in cash form such as dividends, cash form of scrip dividend, and in case of bonus shares, the proceeds from sale of the bonus shares, but exclude all other form of distributions such as nil paid rights, bonus warrants, non-cash distributions or proceeds of sale of the same or other residual cash remaining in the trust account
“Restricted Shares”	in respect of a Selected Person, Shares awarded under the Scheme, which can be (i) new Shares issued by the Company at par for the relevant Selected Person; (ii) existing Shares purchased by the Trustee on the market; or (iii) Returned Shares; or (iv) Further Shares
“Returned Shares”	Restricted Shares which are referable to a Selected Person and which are not accepted or vested, or forfeited in accordance with the terms of the Scheme
“Scheme”	the share award incentive scheme of the Company adopted by the Board on 6 February 2008, certain amendments to the rules constituting the Scheme will be proposed to be considered at the EGM
“Selected Person(s)”	any Participant (other than any Excluded Person) whom the Board may, from time to time, at its absolute discretion select for participation in the Scheme
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Share Award(s)”	the grant of Restricted Shares pursuant to the terms of the Scheme
“Shareholder(s)”	holder(s) of Share(s) of the Company
“Specific Mandate”	the specific mandate, the Shareholders’ approval which is to be obtained at the EGM, for the Restricted Shares being new Shares to be issued and allotted pursuant to the amended Scheme

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	any entity within the meaning of the term “Subsidiary” as defined in the Listing Rules and the term “Subsidiaries” shall be construed accordingly
“Trustee”	the trustee for the Scheme which will hold Shares for the benefit of the Selected Persons and others subject to the terms and conditions of the trust deed
“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, the shares of which are listed on Shenzhen Stock Exchange (stock code: 000100)
“TCL Corporation Group”	TCL Corporation and its Subsidiaries and any entity that may become Subsidiary of TCL Corporation from time to time but does not include the Group for the purpose of this announcement
“Vesting Date”	in respect of a Selected Person, the date on which his entitlement to the Restricted Shares is vested or deemed to have vested

On behalf of the Board
LI Dongsheng
Chairman

Hong Kong, 25 June 2015

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