



TCL Multimedia Disposed the Land Use Rights and the Buildings in Inner Mongolia to Unleash the Assets

Expected to Record a Gain of Approximate HK\$207,557,000

(25 September 2013, Hong Kong) – **TCL Multimedia Technology Holdings Limited** (“TCL Multimedia” or the “Group”, HKSE stock code: 01070) announced that on 11 September 2013, Inner Mongolia TCL King Electrical Appliance Company Limited (“Inner Mongolia TCL King”), a wholly-owned subsidiary of the Group, entered into a Tripartite Agreement with Hohhot Auction Centre and Management Committee of Wishful Zone of Hohhot, pursuant to which Inner Mongolia TCL King agreed to sell the land use rights and the buildings owned by Inner Mongolia TCL King for a total consideration of RMB235,923,436 (equivalent to approximately HK\$296,509,000). Inner Mongolia TCL King will be entitled to a compensation and reward for its relocation from the land for a sum of RMB61,244,000 (equivalent to approximately HK\$76,971,000) and will also be entitled to a refund of RMB9,730,000 (equivalent to approximately HK\$12,229,000) which shall be paid by Management Committee of Wishful Zone of Hohhot. The Group is expected to record a gain from the disposal of approximately RMB165,147,257 (equivalent to approximately HK\$207,557,000).

The land of approximately 102,075.79 square meters in site area was the factory site of Inner Mongolia TCL King and is located east to East Second Ring Road and south to Xin Hua Street, Wishful Development Zone, Hohhot. The disposal is the result of a change in the government’s policy in town planning and infrastructure building, which led to the evacuation of the Group and relevant assets. Upon completion of the transfer of land use rights and the buildings, Hohhot Auction Centre will change the usage of the land from industrial use to commercial use.

The Group had already completed construction of a new factory on another piece of land in Hohhot, Inner Mongolia, China, on which the factory previously situated on the land had been relocated. Equipped with advanced and efficient production lines, the new integrated factory is for assembly of LCD TV and modules, with an annual production capacity of 3 million units for each of the categories. It has commenced production since the end of last year. Therefore, the disposal will not disrupt the operation of the Group in Inner Mongolia. In addition, Inner Mongolia TCL King shall have rights to participate in the process of bidding invitation, auction or listing of the evacuated land and shall, subject to relevant policies, have priorities to obtain the usage right of listing of the land.

Mr. Hao Yi, Chief Executive Officer of TCL Multimedia said, “The disposal represents the Group’s moves to sell idle assets at reasonable prices under the current market conditions. The proceeds from disposal of the land use rights and the buildings will provide additional cash flow, which will strengthen the financial position of the Group for its core business development. Looking ahead, TCL Multimedia will commit fully to technological innovation and vertical integration while establishing a unique smart TV ecosystem, with an aim to continuously improve the Group’s core competences.”

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About TCL Multimedia

Headquartered in China, TCL Multimedia Technology Holdings Limited (HKSE stock code: 01070) is one of the leading players in the global TV industry. TCL Multimedia is engaged in the research and development, manufacturing and distribution of consumer electronic products. Its ultimate holding company is TCL Corporation. According to the latest DisplaySearch report, the Group's global LCD TV market share increased from 5.8% in 2012 to 7.3% in the first quarter of 2013, thus lifting its global ranking to No.3. The Group remained the No.1 position in the LCD TV market in the PRC with a market share of 20.2%.

For more information, please visit its website: <http://multimedia.tcl.com>.

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