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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)

GRANT OF SHARE OPTIONS AND GRANT OF RESTRICTED SHARES

The Board of the Company hereby announces that on 25 April 2018, the Company granted:

- (1) Share Options to subscribe for a maximum of a total of 12,864,754 Shares under the Share Option Scheme to the Option Grantees entitled under the Share Option Scheme, subject to their acceptance; and
- (2) 3,517,714 Restricted Shares to the Restricted Shares Grantees under the Share Award Scheme, subject to their acceptance. Among the 82 Restricted Shares Grantees, 8 of them who are granted a total of 1,024,297 Restricted Shares are connected persons of the Company.

Grant of Share Options

The board (the “Board”) of directors (the “Directors”) of TCL Multimedia Technology Holdings Limited (the “Company”, together with its subsidiaries, collectively the “Group”) hereby announces that on 25 April 2018, the Company granted to certain participants (the “Option Grantees”) entitled under the share option scheme adopted by the Company on 18 May 2016 (the “Share Option Scheme”), subject to their acceptance, share options (the “Share Options”) carrying rights to subscribe for a maximum of a total of 12,864,754 ordinary shares of the Company of HK\$1.00 each (the “Shares”) under the Share Option Scheme.

Among the abovementioned Share Options:

- (i) Share Options to subscribe for 631,182 Shares are granted to 3 Option Grantees who are so granted in their capacity as employees and/or senior officers (including directors) of the Group (the “Management Grant”); and
- (ii) Share Options to subscribe for 12,233,572 Shares are granted to 82 Option Grantees for their special contributions to the Group, who are also employees of TCL Corporation (the ultimate holding company of the Company) and/or its subsidiaries (together, the “TCL Corporation Group”) (the “TCL Corporation Employee Grant”).

3 Option Grantees under the Management Grant are Directors of the Company, namely Mr. WANG Cheng Kevin, Mr. ZHANG Zhiwei and Mr. LAU Siu Ki, and 3 Option Grantees under the TCL Corporation Employee Grant are Directors of the Company, namely Mr. LI Dongsheng, Mr. YAN Xiaolin and Mr. HUANG Xubin. Moreover, one of the Option Grantees under the TCL Corporation Employee Grant, namely Ms. ICHIKAWA Yuki, is the spouse of Mr. LI Dongsheng, and hence an associate (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) of a Director of the Company.

Details of the aforesaid grant of Share Options are as follows:

Date of grant : 25 April 2018

Maximum number of Shares : 12,864,754 Shares
to be issued upon exercise
of the Share Options
granted in full

Exercise price of Share : HK\$3.57, which represents the highest of:
Options granted

- (i) the closing price of the Shares of HK\$3.57 on the date of grant;
- (ii) the average closing price of the Shares of HK\$3.562 for five business days immediately preceding the date of grant; and
- (iii) the par value of the Shares of HK\$1.00

Closing price of the Shares : HK\$3.57
on the date of grant

Exercise period of the Share Options

For Share Options granted under the Management Grant

Subject to the achievement of performance targets for the year ended 31 December 2017, the Share Options are exercisable commencing from 9 January 2019 to 24 April 2024.

For Share Options granted under the TCL Corporation Employee Grant

Subject to the fulfillment of the conditions for exercise of Share Options (“Exercise Conditions”) that the relevant Option Grantee (i) has paid the costs incurred or to be incurred by the Company for the relevant part of the Share Options and (ii) remains to be an employee of TCL Corporation Group on 15 June 2018, 15 June 2019 and 15 June 2020 (as the case may be) respectively:

- 1) approximately one-third of the Share Options are exercisable commencing from 15 June 2018 to 24 April 2024;
- 2) another approximately one-third of the Share Options are exercisable commencing from 15 June 2019 to 24 April 2024; and
- 3) the remaining approximately one-third of the Share Options are exercisable commencing from 15 June 2020 to 24 April 2024.

Validity period of the Share Options : Up to 24 April 2024

Among the abovementioned Share Options granted, Share Options carrying rights to subscribe for a total of maximum of 3,580,337 Shares were granted to the following persons who are a Director, a chief executive or a substantial shareholder (within the meaning as ascribed to it under the Listing Rules) of the Company, or any of their respective associate(s) (within the meaning as ascribed to it under the Listing Rules):

Name	Position(s) held with the Company/relationship with Director	Maximum number of Shares to be issued upon exercise of the Share Options granted	
		The Management Grant	The TCL Corporation Employee Grant
Mr. LI Dongsheng	Executive Director and Chairman		1,599,903
Mr. WANG Cheng Kevin	Executive Director and CEO	391,464	
Mr. YAN Xiaolin	Executive Director		538,392
Mr. HUANG Xubin	Non-executive Director		538,392
Mr. ZHANG Zhiwei	Non-executive Director	119,859	
Mr. LAU Siu Ki	Independent Non-executive Director	119,859	
Ms. ICHIKAWA Yuki	Spouse of Mr. LI Dongsheng		272,468

Each of the grant of the Share Options to the above Option Grantee(s) who is/are a Director, chief executive or substantial shareholder (within the meaning as ascribed to it under the Listing Rules) of the Company, or any of their respective associates has been approved by all the independent non-executive Directors (with the relevant independent non-executive Director abstained from voting in the relevant resolution relating to the grant of Share Options to him) pursuant to Rule 17.04(1) of the Listing Rules and the provisions of the Share Option Scheme.

Save as disclosed in this announcement, none of the Option Grantees is a Director, chief executive or substantial shareholder (within the meaning as ascribed to it under the Listing Rules) of the Company, or any of their respective associate(s) (within the meaning as ascribed to it under the Listing Rules).

The Company will be fully responsible for all the costs incurred for the grant of Share Options under the Management Grant. However, the Option Grantees under the TCL Corporation Employee Grant will be required to reimburse the Company for the costs incurred or to be incurred by the Company for the TCL Corporation Employee Grant as one of the Exercise Conditions as stated above.

Reference is made to the circular of the Company dated 20 April 2018 regarding, among others, refreshment of the scheme limit of the Share Option Scheme (“Share Option Scheme Mandate Limit”) in which it was stated that in case the Board later resolves to grant Share Options before the upcoming annual general meeting to be held on 23 May 2018, the Company will make appropriate announcement pursuant to Chapter 17 of the Listing Rules and will in that announcement also set out the then balance of the existing Share Option Scheme Mandate Limit after such grant subject to the acceptance by the relevant grantees.

The balance of the existing Share Option Scheme Mandate Limit as at the date of this announcement after the aforesaid Management Grant and TCL Corporation Employee Grant (assuming all of the aforesaid grant is accepted and no further Share Options are lapsed) is 28,762,989 Shares, representing approximately 1.23% of the total number of issued Shares as at the date of this announcement.

Grant of Restricted Shares

On 25 April 2018, the Company also granted 3,517,714 restricted shares (“Restricted Shares”) to 82 grantees (“Restricted Shares Grantees”), subject to their acceptance, under the restricted share award scheme adopted by the Company on 6 February 2008 (as amended or revised from time to time) comprising the trust for management (including connected persons) and the trust for employees and others (who are not connected persons) (the “Share Award Scheme”). Among the 82 Restricted Shares Grantees, 8 of them who are granted a total of 1,024,297 Restricted Shares are connected persons (as defined under Chapter 14A of the Listing Rules) of the Company. Each of such grants to the Restricted Shares Grantees who are connected persons is *de minimis* transaction and is fully exempt from shareholders’ approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

This disclosure is made pursuant to the circular of the Company dated 27 July 2015, in which it was stated that the Company would make further announcement as soon as practicable after the grant of share award under the Share Award Scheme in respect of, inter alia, any grant of Restricted Shares using existing shares to connected persons (as defined under Chapter 14A of the Listing Rules) of the Company.

On behalf of the Board
LI Dongsheng
Chairman

Hong Kong, 25 April 2018

As at the date of this announcement, the Board comprises Mr. LI Dongsheng, Mr. WANG Cheng Kevin, Mr. YAN Xiaolin and Mr. WANG Yi Michael as executive directors, Mr. Albert Thomas DA ROSA, Junior, Mr. HUANG Xubin, Mr. ZHANG Zhiwei and Mr. LIU Hong as non-executive directors and Mr. Robert Maarten WESTERHOF, Dr. TSENG Shieng-chang Carter and Professor WANG Yijiang and Mr. LAU Siu Ki as independent non-executive directors.