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TPV

TPV TECHNOLOGY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 903)

INSIDE INFORMATION TRADEMARK LICENCE AGREEMENT IN RELATION TO PHILIPS TABLETS

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Directors are pleased to announce that on 24 December 2014, TVI HK, the Company's wholly-owned subsidiary, the Company and Philips have entered into the TMLA whereby Philips has granted an exclusive right and license to the Group from 1 January 2015 until 31 March 2017 pursuant to which the Group can use the Philips Trademark in the Territory for sales, marketing and distribution of the Scope Products in the Territory, including the right and license to develop, assemble and manufacture the Scope Products outside the Territory.

The TMLA offers the Company a valuable opportunity to develop the Scope Products in the Territory leveraging its strong sales and distribution channel and to bundle the same with its TV and monitor sales. The Company also aims to build up Philips brand awareness on the Scope Products in the Territory and to increase the market share of the Scope Products in the long run.

The principal terms of the TMLA are summarized below:

Parties:

- (1) Philips as licensor
- (2) TVI HK as licensee
- (3) the Company as guarantor

Date:

24 December 2014

Royalty:

TVI HK will pay a royalty to Philips on an annual basis, which is based on a percentage of the turnover of the Scope Products. The royalty shall be payable in arrears by TVI HK to Philips in cash (in EUR) within 30 business days after receipt of the invoice from Philips at the end of each quarter.

Term and renewal:

The term of the TMLA is from 1 January 2015 until (including) 31 March 2017.

If either TVI HK or Philips wishes to extend the TMLA beyond 31 March 2017, it may notify the other party in writing before 31 March 2016 and upon such notice, both parties may enter into good faith negotiations concerning a possible extension of the TMLA. During the first six months period after the notice, Philips shall negotiate exclusively with TVI HK for an extension of the TMLA.

Termination:

Each party to the TMLA may terminate the TMLA by written notice in case of material breach, by the other party of certain terms as set out in the TMLA and provided that the aforesaid breaches, which are capable of being cured, have not been cured within the period set out in the TMLA.

Philips may terminate the TMLA immediately following notice to TVI HK if TVI HK, (i) ceases to do business in the normal course; (ii) becomes or is declared insolvent or bankrupt; (iii) is the subject of any proceedings related to its liquidation or insolvency (whether voluntary or involuntary) which is not dismissed within ninety (90) days (iv) makes an assignment for the benefit of creditors, (v) of the control, management or ownership of TVI HK or its business passing into hands other than those now exercising or entitled to the same, either voluntarily or by law, or (vi) TVI HK otherwise having, wholly or partly, lost the free management or disposal of its property in any other way.

Philips may also terminate the TMLA by giving TVI HK at least 6 (six) months' written notice and without liability to TVI HK in case of a change of control (as defined in the TMLA) to a competitor of Philips (as defined in the TMLA).

Guarantee:

The Company agreed that it will guarantee the due and punctual performance of the obligations by TVI HK under the terms of the TMLA.

As announced in the announcement of the Company dated 30 May 2014 in relation to the completion of the acquisition of 30% equity interest in TP Vision Holding B.V. by the Company, Philips is no longer regarded as a connected person of the Company for the purposes of the Listing Rules and therefore the terms of the TMLA are not subject to Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

- “Company” means TPV Technology Limited.
- “Directors” means the directors of the Company.
- “Group” means the Company and its subsidiaries.
- “Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
- “Philips” means Koninklijke Philips N.V.
- “Philips Trademarks” means the word mark “Philips” and the Philips shield emblem.
- “Scope Products” means tablet computers with diagonal screen size between 6.5 and 14 inch, being a mobile computer with display, circuitry and battery in a single unit, optionally equipped with sensors, including cameras, microphone, accelerometer and touchscreen, with finger or stylus gestures replacing computer mouse and keyboard, which may include physical buttons, e.g. to control basic features such as speaker volume, power and reset to a home screen, and which may have data and/or voice communication functionality via mobile networks, such as Wifi, GSM, CDMA, 3G and/or 4G standards. Scope Products do not include devices that are primarily intended for car navigation.
- “Territory” means worldwide, except United States of America, Canada, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and United Kingdom.
- “TMLA” means the trademark licence agreement entered into on the date hereof between Philips, TVI HK and the Company in respect of the grant by Philips to TVI HK and certain of its affiliates an exclusive trademark license under which TVI HK and certain of its affiliates may design, manufacture, source, sell, distribute and market the Scope Products in the Territory.
- “TVI HK” means Top Victory Investments Limited.

For and on behalf of the Board
Dr Hsuan, Jason
Chairman and Chief Executive Officer

Hong Kong, 24 December 2014

As at the date of this announcement, the Board of the Company comprises one executive director, namely Dr Hsuan, Jason, and five non-executive directors, namely Mr Liu Liehong, Ms Wu Qun, Mr Du Heping, Dr Li Jun and Mr Hideki Noda, and three independent non-executive directors, namely Mr Chan Boon Teong, Dr Ku Chia-Tai and Mr Wong Chi Keung.