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TPV TECHNOLOGY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 903)

SUPPLEMENTAL ANNOUNCEMENT IN RESPECT OF CONTINUING CONNECTED TRANSACTION

Reference is made to the continuing connected transactions announcement published by TPV Technology Limited (the “Company”) on 21 July 2014 in relation to the continuing connected transaction under the Supply Agreement between the Company and Sang Fei (the “Announcement”). Unless otherwise stated, capitalized terms used in this announcement shall have the same meanings as given to them in the Announcement.

In respect of the pricing policy of the Supply Agreement made in the Announcement, the Company would like to make the following supplemental disclosure.

PRICING POLICY OF THE SUPPLY AGREEMENT

According to the Supply Agreement, the TPV Group will sell the Products to the Sang Fei Group on a purchase-by-purchase basis. The price and specifications of the Products shall be set out in a purchase order. After the Sang Fei Group has proposed the specifications for an order, the TPV Group will propose the design to the Sang Fei Group based on their specification requirements. Once the design has been confirmed between both parties, the TPV Group will source the components from different suppliers under a tendering process. Based on the costs of the components, together with the logistic costs, taxes and other relevant costs, plus a profit margin within an internal target range which is subject to periodic review, the TPV Group will calculate a price quotation for the order. The price quotation is subject to benchmarking to at least one/more of the following prevailing market prices as available:

(i) price quotations to other independent third party customers of comparable products (ii) quotations from other vendors if the orders will be outsourced (iii) prices offered by other suppliers in the market for comparable products.

The price and the other terms of the order shall be finally approved by the management and agreed by both parties after arm's length negotiation and based on normal commercial terms, but in any event, the prices and the terms will be no more favourable to the Sang Fei Group than terms available to independent third party customers.

By Order of the board of the Company
Dr. Hsuan, Jason
Chairman and Chief Executive Officer

Hong Kong, 29 July 2014

As at the date of this announcement, the Board 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.