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TPV

TPV TECHNOLOGY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 903)

INSIDE INFORMATION

NEW TRADEMARK LICENSING AGREEMENT IN RELATION TO PHILIPS MONITORS, CERTAIN IT ACCESSORIES AND PUBLIC SIGNAGE PRODUCTS

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).

Reference is made to the announcement of the Company dated 3 June 2014 in relation to the extension of the term of the trademark licence agreement with Philips whereby Philips agreed to grant an exclusive right to TVI HK and its affiliates in relation to the use of the Philips trademarks on monitors and public signage products.

The Directors are pleased to announce that on 30 March 2015, TVI HK, the Company's wholly-owned subsidiary, the Company and Philips have entered into the TMLA whereby Philips has agreed to grant an exclusive right and license to the Group from 1 April 2015 until 31 March 2020 by means of which the Group can use the Philips Trademark in the Territory, including the right and license to develop, assemble and manufacture outside the Territory for sales, marketing and distribution in the Territory, in relation to the Scope Products.

The entering into of the TMLA offers a valuable opportunity for the Company to continue to develop the Scope Products in the Territory leveraging its strong sales and distribution channel and to maintain its long term business relationship with Philips.

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:

30 March 2015

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 US dollars) within 60 days after the end of each quarter. TVI HK will also pay an annual minimum guaranteed royalty of US\$6 million to Philips.

Term and renewal:

The TMLA will commence on 1 April 2015 until 31 March 2020.

As soon as practicable after the fourth anniversary of 1 April 2015, subject to TVI HK meeting certain agreed key performance indicators, Philips and TVI HK will enter into good faith negotiations on an exclusive basis as to the terms of an extension or renewal of the TMLA, and will use their reasonable endeavours to reach agreement on new terms before the expiry of the first six months immediately following such fourth anniversary of 1 April 2015. If they cannot reach agreement during such period, Philips will be free to enter into negotiations with third parties to license the Philips Trademarks on the Scope Products.

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.

Either party may terminate the TMLA immediately following notice to the other party if a party, (i) ceases to do business; (ii) becomes insolvent; (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 in TVI HK or the Company is acquired by a third party.

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.

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.
- “IT Accessories” means keyboards, keyboard trays, mice, wrist rests and mouse pads, lap desks and stands, monitor mounts and stands, screen protectors and filters, webcams USB/tethered based (not IP enabled) and smart pointers.
- “Monitors” means IT display devices for connecting to and directly displaying the signals of personal computers or servers through wired or non-TV-tuner-oriented wireless interface, and having a diagonal screen size between 15 inches and 34 inches. TVI HK may propose, and Philips may, at its discretion, approve an incidental increase in screen size of Monitors on project by project basis and parties shall discuss such request in quarterly brand committee meetings.
- “Philips” means Koninklijke Philips N.V.
- “Philips Trademarks” means the word mark “Philips”, the Philips shield emblem, the brand line “innovation and you” and the “Brilliance” trademark.
- “Public Signage Products” means business to business two dimensional liquid crystal display devices, not having built-in television tuners, the sole purpose of which is displaying information, advertising and alike to the general public which may have touch screen functionality or other means of control; including related players, personal computer players, media cards and content management software only to be used in combination with these display devices, but excluding (i) their use in the hospitality sector and (ii) three dimensional display devices.
- “Scope Products” means (i) Monitors for personal computers or servers, (ii) Monitors which have a fully integrated personal computer in the same housing, having personal computer operating system and which may have a touch screen functionality or other means of control (iii) Monitors (other than personal computers/monitors) that have a built-in television tuner provided that the primary function remains connected to a personal computer and the maximum diagonal screen does not exceed 27”; (iv) Public Signage Products; and (v) IT Accessories.
- “Territory” means worldwide but for Monitors with a built-in television tuner, excluding Canada and the U.S., Mexico, Northern LATAM and India.

“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 TVI HK Investments Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company.

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

Hong Kong, 30 March 2015

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.