

**EXECUTION VERSION**

**MITSUI & CO., LTD.**  
**AND**  
**CHINA ELECTRONICS CORPORATION**  
**AND**  
**CEIEC (H.K.) LIMITED**

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**SHAREHOLDERS' AGREEMENT**

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**THIS AGREEMENT** is made on **28** January 2010

**BETWEEN:**

- (1) **mitsui & co., ltd.**, a company incorporated in Japan whose registered office is at 2-1, Ohtemachi 1-Chome, Chiyoda-ku, Tokyo, Japan ("**MJ**");
- (2) **CHINA ELECTRONICS CORPORATION**, a state-owned company incorporated in the PRC, whose registered office is at No. 27 Wanshou Road, Haidian District, Beijing, the PRC ("**CG**"); and
- (3) **CEIEC (H.K.) LIMITED**, a company incorporated in Hong Kong, whose registered office is at Room 2306, 23rd Floor, Marina House, 68 Hing Man Street, Shau Kei Wan, Hong Kong ("**CG Bidco**").

**RECITALS:**

- (A) TPV Technology Limited was incorporated in Bermuda and it has an authorised share capital of US\$40,000,000 divided into 4,000,000,000 ordinary shares of US\$0.01 each of which 2,111,252,525 shares have been issued (the "**Company**").
- (B) As at the date of this Agreement, CG, through CG Bidco, CG Hong Kong (as defined below) and CG Shenzhen (as defined below), is beneficially interested in approximately 27.19% of the issued share capital of the Company (being 574,060,000 Shares).
- (C) CG Bidco and MJ intend to announce and implement a proposal (the "**Proposal**") for the acquisition of Shares (as defined below) to be effected by way of the Offer (as defined below), the Option Offer (as defined below), the TPA (as defined below) and the Block Trade (as defined below) on the terms and subject to the conditions set out in the Possible Offer Announcement (as defined below), following which MJ and the CG Entities will all be Shareholders (as defined below).
- (D) The parties hereto agree to enter into this Agreement to set out certain rights and obligations of MJ and the CG Entities in respect of their shareholding in the Company.

**THE PARTIES AGREE** as follows:

**1. INTERPRETATION**

**1.1** In this Agreement (the "**Agreement**") (including the Recitals):

"**acting in concert**" has the meaning given to it in the Takeovers Code;

"**Affiliate**" means, when used with respect to any person, any other person directly or indirectly Controlling, Controlled by or under common Control with, such person;

"**Authority**" shall mean any national, supranational, regional or local government or governmental, administrative, fiscal, judicial or government-owned body, department, commission, authority, tribunal, agency or entity, or regulator (or any person, whether or not government owned and howsoever constituted or called, that exercises the functions of a regulator);

**"Block Trade"** means the transactions contemplated under the TU SPA;

**"Board"** means the board of directors of the Company from time to time;

**"Business Day"** means any day (other than a Saturday or Sunday) when banks in Hong Kong and Japan are open for the transaction of normal business;

**"CG Director"** means a person nominated by CG for appointment to the Board;

**"CG Entities"** means, collectively, CG and CG Bidco, and a **"CG Entity"** means any of them;

**"CG Hong Kong"** means Great Wall Computer (HK) Holding Limited, a wholly-owned subsidiary of CG Shenzhen;

**"CG Group"** means, collectively, the CG Entities and their respective Concert Parties but excluding MJ and any other person that would not be its Concert Party but for its concert party relationship with MJ;

**"CG Lapse Date"** shall have the meaning given to it in clause 2.2;

**"CG Shenzhen"** means Great Wall Computer (Shenzhen) Co., Ltd., an indirect non-wholly-owned subsidiary of CG;

**"Company"** shall have the meaning given to it in paragraph (A) of the Recitals;

**"Concert Parties"** shall mean in relation to any person, a person who is, or who is deemed to be, acting in concert with that person as this term is defined in the Takeovers Code;

**"Confidential Information"** means all information of a confidential nature in whatever format relating to the Proposal or any of the Group Companies, including without limitation trade secrets, marketing strategies and plans, client lists and details of contacts with or requirements of clients of any Group Company, research, development data, technical information, know-how and formulas with respect to any Group Company's existing and future products, pricing strategies, lists of service providers to any Group Company, information which has been supplied in confidence by clients of any Group Company or service providers to any Group Company, any information in respect of which any Group Company is bound by an obligation of confidence to any third party and any other information treated as confidential by any Group Company on a day to day basis, including software passwords and other passwords;

**"Consortium Agreement"** means the consortium agreement to be entered into between MJ and the CG Entities on or about the date of this Agreement;

**"Control"** means the power of a person (or persons acting in concert) to secure that the affairs of another are conducted directly or indirectly in accordance with the wishes of that person (or persons acting in concert) by any means, but including without limitation by means of: in the case of a company, being the beneficial owner of more

than fifty (50) per cent. of the issued share capital of or of the voting rights in that company, or having the right to appoint or remove a majority of the directors or otherwise control the votes at board meetings of that company by virtue of any powers conferred by the articles of association, shareholders' agreement or any other document regulating the affairs of that company; or in the case of a partnership, being the beneficial owner of more than fifty (50) per cent. of the capital of that partnership, or having the right to control the composition of or the votes to the majority of the management of that partnership by virtue of any powers conferred by the partnership agreement or any other document regulating the affairs of that partnership; and "**Controlled**" shall be construed accordingly;

"**Deed of Adherence**" means a deed of adherence in the form set out in schedule 3 or in such other form as the parties may agree from time to time;

"**Effective Date**" shall have the meaning given to it in clause 2.2;

"**Encumbrance**" means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or another type of agreement or arrangement having similar effect, and "**Encumber**" shall be construed accordingly;

"**Executive**" means the Executive, as that term is used in the Takeovers Code, and references in this Agreement to approvals or rulings of the Executive shall include such approvals or rulings as reviewed by the Panel as the case may be;

"**Group**" means the Company and its subsidiaries from time to time and "**Group Company**" shall be construed accordingly;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Law**" means all civil and common law, statute, subordinate legislation, treaty, regulation, directive, decision, by-law, ordinance, circular, code, order, notice, demand, decree, injunction, resolution, judgment or recommendation of any government, quasi-government, statutory, administrative or regulatory body, court, agency or association applicable to or affecting any Group Company, its business, employees or assets in any jurisdiction (including without limitation the Listing Rules, the Takeovers Code, or the rules and regulations of any other relevant recognised stock exchanges);

"**Listing Rules**" means The Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;

"**Losses**" means any and all losses (including direct, indirect or consequential losses), fines, penalties, costs, claims, damages, liabilities, judgements, settlements, awards, reasonable out-of-pocket costs, expenses and attorneys' fees (including any such reasonable costs, expenses and fees incurred in enforcing a party's right to indemnification hereunder) and penalties and interest associated therewith, if any;

**"MJ Director"** means a person nominated by MJ for appointment to the Board;

**"MJ Group"** means MJ and its Concert Parties but excluding CG Bidco and any other person that would not be its Concert Party but for its concert party relationship with CG Bidco;

**"MJ Lapse Date"** shall have the meaning given to it in clause 2.4;

**"New Shareholder"** shall have the meaning given to it in clause 11.1;

**"Notice"** has the meaning given to it in clause 16.1;

**"Offer"** means the possible mandatory general cash offer for the Shares which will potentially be jointly made by CG Bidco and MJ substantially on the terms set out in the Possible Offer Announcement and the Consortium Agreement;

**"Offer Period"** means from the time that the Possible Offer Announcement is made until whichever is the latest of: (1) the date when the Offer closes for acceptances; (2) the date when the Offer lapses; (3) the time when CG Bidco or MJ announces that the Offer will not proceed; and (4) the time when an announcement is made by CG Bidco or MJ of the withdrawal of the Offer;

**"Paying Party"** shall have the meaning given to it in clause 3;

**"Pledge"** means, in relation to any Share or any legal or beneficial interest in any Share, to create, or to agree (whether or not subject to any condition precedent or subsequent) to create, any Encumbrance over it;

**"PRC"** means the People's Republic of China;

**"Proposal"** shall have the meaning given to it in paragraph (C) of the Recitals;

**"Possible Offer Announcement"** means the press announcement relating to the possible Offer to be made jointly by MJ, CG Bidco and the Company;

**"Receiving Party"** shall have the meaning given to it in clause 3;

**"SFC"** means the Securities and Futures Commission of Hong Kong;

**"Share"** means an issued ordinary share of US\$0.01 in the share capital of the Company from time to time;

**"Shareholders"** means holders of Shares at such relevant time, and **"Shareholding"** shall be construed accordingly;

**"Stock Exchange"** means The Stock Exchange of Hong Kong Limited;

**"Takeovers Code"** means The Hong Kong Code on Takeovers and Mergers;

**"TPA"** means the transactions contemplated under the TPA Subscription Agreement;

**"TPA Completion"** means completion of the TPA in accordance with the terms of the TPA Subscription Agreement;

**"TPA Subscription Agreement"** means the subscription agreement to be entered into by MJ and the Company on or about the date of this agreement;

**"Transaction Documents"** means this Agreement, TPA Subscription Agreement, TU SPA and the Consortium Agreement;

**"Transferring Party"** shall have the meaning given to it in clause 11.1;

**"TU"** means Koninklijke Philips Electronics N.V.;

**"TU HK"** means Philips Electronics Hong Kong Limited;

**"TU SPA"** means the sale and purchase agreement to be entered into between CG Bidco, TU and TU HK on or about the date of this Agreement; and

**"US\$" means United States dollars, the lawful currency of the United States of America.**

1.2 In this Agreement, a reference to:

- 1.2.1 references to clauses are to the clauses of this Agreement, references to paragraphs are to paragraphs of a schedule, and references to a schedule are to the schedules to this Agreement;
- 1.2.2 the schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and references to this Agreement include the schedules;
- 1.2.3 use of any gender includes the other genders and use of the singular includes the plural and vice versa unless the context requires otherwise;
- 1.2.4 references to **"parties"** are to the parties to this Agreement, and references to a **"party"** shall be construed accordingly;
- 1.2.5 references to a **"person"** shall be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);
- 1.2.6 a reference to a **"subsidiary"** is to be construed in accordance with the Hong Kong Companies Ordinance (Cap. 32);
- 1.2.7 a reference to any party to this Agreement or any other agreement or document includes the party's successors and permitted assigns;
- 1.2.8 the ejusdem generis principle of construction shall not apply to this Agreement. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a

particular class of acts, matters or things or by examples falling within the general words;

- 1.2.9 except as otherwise provided in this Agreement, obligations, undertakings, representations, warranties and indemnities and other agreements given or made by the CG Entities shall be deemed to be given by each of them jointly and severally;
  - 1.2.10 references in this Agreement to statutory provisions shall be construed as references to those provisions as respectively amended, consolidated, extended or re-enacted from time to time and any orders, regulations, instruments or other subordinate legislation made from time to time under the statute concerned;
  - 1.2.11 any reference to a "day" (including within the phrase "**Business Day**") shall mean a period of 24 hours running from midnight to midnight;
  - 1.2.12 references to times are to Hong Kong time; and
  - 1.2.13 a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied, novated or supplemented at any time.
- 1.3 All headings and titles are inserted for convenience only. They are to be ignored in the interpretation of this Agreement.
2. **EFFECTIVENESS OF THIS AGREEMENT**
- 2.1 Other than this clause 2.1 and clauses 1 and 8 to 12 (inclusive) and 14 to 18 (inclusive) which shall come into effect immediately upon the date of this Agreement, all other provisions of this Agreement shall come into effect from the date on which MJ beneficially holds 4.74% of the Shares (the "**Effective Date**"), provided that clauses 2.2 to 2.6 shall become effective from the date which is 12 months from the Effective Date.
- 2.2 If collectively the CG Group beneficially hold less than 30% of the Shares on any given date (the "**CG Lapse Date**"), all the rights of each CG Entity under this Agreement shall cease to be valid and enforceable from the CG Lapse Date, provided that if within 6 months of the relevant CG Lapse Date the CG Group collectively beneficially hold 30% or more of the Shares, such rights of each CG Entity under this Agreement shall become valid and enforceable from the date on which the collective beneficial holding of the CG Group returns to 30% or more of the Shares.
- 2.3 If the collective beneficial holding of the CG Group does not return to 30% or more of the Shares within 6 months from the relevant CG Lapse Date, MJ shall have the right but not the obligation to terminate this Agreement.
- 2.4 If MJ beneficially holds less than 5% of the Shares on any given date (the "**MJ Lapse Date**") all the rights of MJ under this Agreement shall cease to be valid and



enforceable from the MJ Lapse Date, provided that if within 6 months of the relevant MJ Lapse Date MJ beneficially holds 5% or more of the Shares, such rights of MJ under this Agreement shall become valid and enforceable from the date on which the beneficial holding of MJ returns to 5% or more of the Shares.

- 2.5 If the collective beneficial holding of MJ does not return to 5% or more of the Shares within 6 months from the relevant MJ Lapse Date, the CG Entities shall have the right but not the obligation to terminate this Agreement.
- 2.6 If MJ terminates this Agreement pursuant to clause 2.3, or if the CG Entities terminate this Agreement pursuant to clause 2.5, each party's further rights and obligations shall cease immediately on termination but termination does not affect a party's accrued rights and obligations at the date of termination.

### 3. UNDERTAKINGS

- 3.1 Each of the CG Entities and MJ undertakes to the other, (i) in the event any funds are paid by one party (the "**Paying Party**") to the other (the "**Receiving Party**"), such funds shall only be used by the Receiving Party for any repayment of financing incurred by the Receiving Party in connection with the TU SPA, TPA or Offer, as the case may be, and (ii) it will use its best endeavors to comply with all laws and governmental regulations that are applicable to it and to the operation of its business in any jurisdiction in which it operates.
- 3.2 If any CG Entity breaches any of its obligations under clause 3.1, MJ may sell or transfer its Shares to any third party free from restrictions and MJ shall be released from all its further rights and obligations under this Agreement and the CG Entities shall waive all its accrued rights and claims against MJ under this Agreement.
- 3.3 If MJ breaches any of its obligations under clause 3.1, each of the CG Entities may sell or transfer its Shares to any third party free from restrictions and the CG Entities shall be released from all their further rights and obligations under this Agreement and MJ shall waive all its accrued rights and claims against the CG Entities under this Agreement.

### 4. NEGATIVE COVENANTS

- 4.1 Each of the CG Entities agrees and undertakes to MJ that it will not, and will procure that each member of the CG Group will not, purchase or acquire any Share or any interest in any Share:
  - 4.1.1 which would result in an obligation on any person to make a mandatory general offer for the Shares under the Takeovers Code without the prior written consent of MJ provided unless, where the collective beneficial shareholding of the CG Group in the Company is less than 40% of the Shares:
    - (a) MJ agrees to make a mandatory general offer as joint offeror with the relevant person that would trigger such obligation; or

- (b) only a member of the CG Group has an obligation to make a mandatory general offer for the Shares and provided before such mandatory general offer for the Shares is made, an advance formal ruling from the Executive is obtained confirming that MJ is not a person acting in concert with the relevant person making the mandatory general offer (a "No-Concert Party Ruling") and if so required pursuant to the terms of the No-Concert Party Ruling being obtained, the parties agree to terminate this Agreement; or
- 4.1.2 which would result in a breach of the minimum public float requirements that the Company is required to comply with pursuant to Rule 8.08 of the Listing Rules without the prior written consent of MJ; or
- 4.1.3 at a price higher than HK\$5.20 per Share within 6 months after the end of the Offer Period if the collective holding of the CG Group and the MJ Group is 50% or more of the Shares following the end of the Offer Period.
- 4.2 MJ agrees and undertakes to the CG Entities that it will not purchase or acquire any Share or any interest in any Share:
  - 4.2.1 which would result in an obligation on any person to make a mandatory general offer for the Shares under the Takeovers Code without the prior written consent of CG; or
  - 4.2.2 which would result in a breach of the minimum public float requirements that the Company is required to comply with pursuant to Rule 8.08 of the Listing Rules without the prior written consent of CG; or
  - 4.2.3 at a price higher than HK\$5.20 per Share within 6 months after the end of the Offer Period if the collective holding of the CG Group and the MJ Group is 50% or more of the Shares following the end of the Offer Period.
- 4.3 Each of the CG Entities agrees and undertakes to MJ that neither it, nor or any member of the CG Group, shall make a voluntary general offer or offer by way of scheme of arrangement for the Shares under the Takeovers Code unless with the prior written consent of MJ.
- 4.4 MJ agrees and undertakes to the CG Entities that neither it, nor or any member of the MJ Group, shall make a voluntary general offer or offer by way of scheme of arrangement for the Shares under the Takeovers Code unless with the prior written consent of any of the CG Entities.
- 4.5 Each of the CG Entities and MJ agrees and undertakes to each other that it will not enter into, or offer to enter into, any arrangement or relationship which may create any Concert Party relationship (excluding the existing Concert Party relationship amongst the CG Entities and MJ) unless with the prior written consent of all other parties.

**5. NOTICE REGARDING TRANSFER OF SHARES**

- 5.1 If MJ proposes to Pledge its Shares in favour of any third party, MJ shall give 5 Business Days prior written notice to CG.
- 5.2 If any of the CG Group members proposes to Pledge its Shares in favour of any third party, CG shall give 5 Business Days prior written notice to MJ.

**6. DIRECTORS**

- 6.1 MJ and the CG Entities agree to take, or cause to be taken, all actions (so far as is within its powers but subject to all applicable Laws), and to do, or cause to be done all things necessary (so far as is within its powers but subject to all applicable Laws), including voting or causing to be voted the respective Shares of the MJ Group and CG Group, to ensure that the Board shall have no more than 13 directors, 3 of whom being independent non-executive directors except for an increase in the number of independent non-executive directors on the Board pursuant to a reasonable request by the Board in which case there shall be a corresponding increase in the maximum number of directors on the Board for the purpose of creating vacancy for the appointment of additional CG Directors in order that the majority in number of the Board will be comprised of CG Directors.
- 6.2 For so long as the MJ Group beneficially holds: (i) 5% or more of the Shares but less than 10%, MJ shall be entitled to nominate one, and (ii) 10% or more of the Shares, MJ shall be entitled to nominate two, individual(s) to be appointed as director(s) to the Board provided that the nomination by MJ of the second individual is conditional upon at the time of the nomination, a majority in number of the Board remaining to be comprised of CG Directors and there being a vacancy on the Board.
- 6.3 At any general meeting of the Shareholders convened to seek Shareholders' approval or in any other circumstances upon which a Shareholder's vote, consent or approval (including by written consent) with respect to the appointment or removal of a MJ Director is sought, each of the CG Entities agrees to take, or cause to be taken, all actions (so far as is within its powers but subject to all applicable Laws), and to do, or cause to be done all things necessary (so far as is within its powers but subject to all applicable Laws), including voting or causing to be voted the respective Shares held by the CG Group members, to appoint such relevant MJ Director or voting or causing to be voted the respective Shares held by the CG Group members to reject any proposed removal of such relevant MJ Director (save where such proposal has been instigated by MJ) and if no such meeting has been convened, at the election of MJ, to convene a meeting to consider such appointment or removal.
- 6.4 For so long as the CG Group collectively beneficially holds 30% or more of the Shares, CG shall be entitled to nominate seven individual(s) to be appointed as director(s) to the Board.
- 6.5 At any general meeting of the Shareholders convened to seek Shareholders' approval or in any other circumstances upon which a Shareholder's vote, consent or approval

(including by written consent) with respect to the appointment or removal of a CG Director, MJ agrees to take, or cause to be taken, all actions (so far as is within its powers but subject to all applicable Laws), and to do, or cause to be done all things necessary (so far as is within its powers but subject to all applicable Laws), including voting or causing to be voted the respective Shares held by the MJ Group members, to appoint such relevant CG Director or voting or causing to be voted the respective Shares held by the MJ Group members to reject any proposed removal of such relevant CG Director (save where such proposal has been instigated by CG) and if no such meeting has been convened, at the election of CG, to convene a meeting to consider such appointment or removal.

**7. MATTERS REQUIRING MJ CONSENT**

For as long as the MJ Group beneficially holds at least 15% of the Shares, each of the CG Entities (so far as is within its power but subject to all applicable Laws) shall take, or cause to be taken, all actions, and to do, or cause to be done all things necessary (including voting, or procuring the voting of, the respective Shares held by all CG Group members) to ensure that, unless MJ directs otherwise:

7.1 the Company will not enter into any transaction which constitutes a very substantial acquisition or very substantial disposal for the Company (such terms having the meaning given to them in the Listing Rules);

7.2 there will be no increase or reduction of the authorised or issued share capital of the Company, excluding:

7.2.1 the issuance of new Shares, whether pursuant to any share option scheme of the Company or otherwise; and

7.2.2 the repurchase or redemption of Shares or convertible securities of the Company;

pursuant in either case to a general mandate granted to the Board by the Shareholders in a general meeting of the Company;

7.3 there will be no variation, modification, abrogation or grant of any rights attaching to any class of ordinary or preferred share capital of the Company;

7.4 there will be no amendment of the memorandum of association or the articles of association of the Company;

7.5 there will be no liquidation, dissolution, winding up or any other analogous procedure of the Company;

7.6 there will be no amalgamation, demerger, merger, corporate reconstruction, share exchange, scheme of arrangement, or consolidation of the Company which will result in a change of Control of the Company; and

7.7 there will be no voluntary withdrawal by the Company of the listing of the Shares from the Stock Exchange or the Singapore Exchange Securities Trading Limited.

**8. REPRESENTATIONS AND WARRANTIES**

**8.1 Each of the CG Entities hereby represents and warrants to MJ that:**

- 8.1.1 it has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby;
- 8.1.2 the execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly authorised by all necessary action on its part;
- 8.1.3 it has duly executed and delivered this Agreement;
- 8.1.4 this Agreement constitutes legal, valid and binding obligations of it, enforceable against it in accordance with its terms; and
- 8.1.5 that it is not a party to any agreement or understanding that is inconsistent with the rights or the obligations of MJ or the CG Entities under this Agreement or the other Transaction Documents or otherwise conflict with this Agreement or the other Transaction Documents.

**8.2 MJ hereby represents and warrants to each of the CG Entities that:**

- 8.2.1 it has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby;
- 8.2.2 the execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly authorised by all necessary action on its part;
- 8.2.3 it has duly executed and delivered this Agreement;
- 8.2.4 this Agreement constitutes legal, valid and binding obligations of it, enforceable against it in accordance with its terms; and
- 8.2.5 that it is not a party to any agreement or understanding that is inconsistent with the rights or the obligations of MJ or the CG Entities under this Agreement or the other Transaction Documents or otherwise conflict with this Agreement or the other Transaction Documents.

**8.3 MJ further represents and warrants that as at the date of this Agreement, the information in Schedule 1 is true, accurate and not misleading in all respects.**

**8.4 Each of the CG Entities further represents and warrants that as at the date of this Agreement, the information in Schedule 2 is true, accurate and not misleading in all respects.**

**9. CONFIDENTIALITY**

Subject to clause 10, each of the CG Entities and MJ undertakes to keep confidential, and shall not disclose to any person (except to its professional advisers on a need to

know basis), the existence of this Agreement or any Confidential Information, unless and to the extent required by any applicable Law or regulation, without the prior written consent of the other parties (such consent not to be unreasonably withheld).

#### 10. ANNOUNCEMENTS

10.1 The parties shall, subject to the requirements of any Law, consult together as to the terms of, the timetable for and the manner of publication of, any formal announcement or circular to shareholders, employees, customers, any recognised stock exchange or other governmental or regulatory authorities, the media or otherwise which any party may desire or be obliged to make regarding this Agreement or the Proposal.

10.2 Any other communication which any party may make concerning the foregoing matters shall, subject to the requirements of Law, be consistent with any such formal announcement or circular as aforesaid.

#### 11. SHARE TRANSFERS

11.1 If any MJ Group member wishes to transfer or dispose its Shares, or its interests in the Shares, to any of MJ's Affiliates or any CG Group member wishes to transfer or dispose of its Shares, or its interests in the Shares, to any of CG's Affiliates (where the Shareholder who so wishes is a MJ Group member, MJ shall be the "**Transferring Party**" and where the Shareholder who so wishes is a CG Group member, CG shall be the "**Transferring Party**");

11.1.1 the Transferring Party shall procure that such Affiliate (a "**New Shareholder**") enters into a Deed of Adherence agreeing to abide by the terms of this Agreement (including, without limitation, this clause) and such Deed of Adherence is to be accompanied by an appropriate legal opinion in a form acceptable to MJ in the case of a transfer by any CG Group Member and CG in the case of a transfer by any MJ Group Member, stating that the New Shareholder and has the appropriate authority and capacity to enter into the Deed of Adherence and that the Deed of Adherence has been validly executed and is legally binding in accordance with applicable Laws; and

11.1.2 at the request of any existing party to this Agreement and any person which subsequently becomes a party to this Agreement, it shall provide satisfactory evidence that the New Shareholder has complied with the undertaking set out in paragraph 2 of the form of Deed of Adherence in schedule 3.

11.2 Upon doing so, the New Shareholder shall be treated as a party in the capacity of the Transferring Party for the purposes of this Agreement and will assume the rights and obligations of the Transferring Party from the date of transfer provided that the Transferring Party's rights and obligations under this Agreement shall not be affected in respect of its remaining Shares. Subject to the relevant New Shareholder having entered into a Deed of Adherence as aforesaid any Transferring Party which transfers or disposes of all of its Shares shall cease to have any rights or obligations under this agreement except in respect of any antecedent breach and in respect of any obligations

which are expressed to be continuing. Accordingly, from the date of cessation, the terms of this Agreement may subsequently be varied without the consent of such Transferring Party which disposes of all its Shares.

11.3 The CG Entities agree and undertake to take all steps necessary such that as soon as practicable following the end of the Offer Period, CG Bidco shall transfer all of its beneficial holding of Shares to an Affiliate of CG other than the immediate holding company of CG Bidco as at the date of this Agreement

11.4 Subject to clauses 11.1 and 11.2 in respect of a transfer of Shares by a party to its Affiliates, the parties acknowledge and agree that there are no other restrictions on transfers of Shares under this Agreement.

## **12. INDEMNIFICATION**

12.1 Without prejudice to any other rights which may exist, including without limitation the right to claim damages, the CG Entities each jointly and severally agrees to indemnify fully and hold harmless MJ and its Affiliates from and against any and all Losses incurred by MJ or its Affiliates arising out of or in connection with any inaccuracy in, or breach of, any of the CG Warranties contained in this Agreement and arising out of any failure by any member of the CG Group to perform, or other breach of, its obligations under this Agreement.

12.2 Without prejudice to any other rights which may exist, including without limitation the right to claim damages, MJ agrees to indemnify fully and hold harmless each of the CG Entities and its Affiliates from and against any and all Losses incurred by the CG Entities or their respective Affiliates arising out of or in connection with any inaccuracy in, or breach of, any of the MJ Warranties contained in this Agreement; and arising out of any failure by MJ to perform, or other breach of, its obligations under this Agreement.

## **13. CG'S OBLIGATION TO PROCURE CG HONG KONG AND CG SHENZHEN TO BECOME PARTIES**

13.1 CG undertakes and (so far as is within its power but subject to all applicable Laws) shall take, or cause to be taken, all actions, and to do, or cause to be done all things necessary (including but not limiting to procure all relevant general meetings or board meetings to be held and to make all relevant announcements and regulatory filings) to procure such CG Group members, as MJ may reasonably request, to become parties to this Agreement as soon as possible after the date of this Agreement..

13.2 CG undertakes to MJ that it shall procure that each CG Group member which is a Shareholder complies with all obligations under this Agreement as if it is a CG Entity.

13.3 CG undertakes to MJ that at all times each of CG Hong Kong and CG Shenzhen shall remain under the Control of CG.

13.4 Without prejudice to clause 15, CG shall bear all fees and costs incurred pursuant to this clause 13.

**14. TERMINATION**

Without prejudice to clauses 2, 3.2 and 3.3, the provisions of this Agreement (except for clause 1 (Interpretation), clause 9 (Confidentiality), clause 10 (Announcements), clause 12 (Indemnification), clause 15 (Costs), clause 16 (Notices), clause 17 (General) and clause 18 (Governing Law and Jurisdiction)) shall terminate with immediate effect upon either the MJ Group or the CG Group collectively ceasing to hold any Shares except that termination pursuant to this clause shall not affect a party's rights and obligations under this Agreement which have accrued as at that date.

**15. COSTS**

Each party will pay its own costs and expenses relating to the negotiation, preparation, execution and implementation by it of this Agreement.

**16. NOTICES**

**16.1 A notice under or in connection with this Agreement (a "Notice"):**

16.1.1 shall be in writing;

16.1.2 shall be in the English language; and

16.1.3 may be delivered personally or sent by courier or by fax to the party due to receive the Notice to the address or addresses specified in clause 16.2 or to another address, person or fax number specified by that party by written notice to the other parties received before the Notice was despatched.

**16.2 The addresses referred to in clause 16.1.3 are:**

**16.2.1 in the case of MJ:**

Address: 2-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan

Fax: +81 3 3285 8618

Marked for the attention of Mr. Junichi Kodama

E-mail: J.Kodama@mitsui.com

**16.2.2 in the case of CG:**

Address: No. 27 Wanshou Road, Haidian District, Beijing, the PRC

Fax: +86 10 6821 3745

Marked for the attention of Mr. YU Jun.

**16.2.3 in the case of CG Bidco:**

Address: Unit 2306, 23rd Floor, Marina House, 68 Hing Man Street,  
Shaukeiwan, Hong Kong

Fax: +852 2571 1993



Marked for the attention of Mr. YAN Xiaoyang (严笑阳).

16.3 A Notice is deemed given:

- 16.3.1 if delivered personally, on delivery at the address referred to in clause 16.1;
- 16.3.2 if sent by courier by an internationally recognised courier company, 2 clear Business Days after posting it; and
- 16.3.3 if sent by fax, when confirmation of its transmission has been recorded by the sender's fax machine.

17. **GENERAL**

- 17.1 The parties' desire is that in implementing the Proposal the collective beneficial holding of the CG Group shall be 40% of the Shares and the beneficial holding of MJ shall be 20% of the Shares. If following the implementation of the Proposal the desired holding shall not be in accordance with the foregoing, the CG Entities and MJ acknowledge and agree to negotiate in good faith with each other to agree on how best to achieve such desired respective Shareholding.
- 17.2 This Agreement constitute the whole and only agreement between the parties relating to the subject matter of this Agreement.
- 17.3 This Agreement may be executed in any number of counterparts but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute but one and the same instrument.
- 17.4 No party shall assign, transfer or create any trust in respect of, or purport to assign, transfer or create any trust in respect of, a right or obligation under this Agreement provided that a party may assign its rights, or transfer its rights or obligations, under this Agreement to any of its Affiliates subject to clause 11.
- 17.5 Except as otherwise expressly provided, time is of the essence of this Agreement.
- 17.6 No delay or omission by any party to this Agreement in exercising any right, power or remedy provided by Law or under this Agreement shall affect that right, power or remedy or operate as a waiver of it. The single or partial exercise of any right, power or remedy provided by Law or under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 17.7 Nothing in this Agreement and no action taken by the parties under this Agreement shall constitute a partnership, association, joint venture or other co-operative entity between any of the parties.
- 17.8 A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each party.

17.9 The invalidity, illegality or unenforceability of a provision of this Agreement does not affect or impair the continuation in force of the remainder of this Agreement.

17.10 If there is any conflict or inconsistency between the provisions of this Agreement and the Consortium Agreement, this Agreement shall prevail and each party shall use its rights and powers to procure (so far as it is able) that the terms of the Consortium Agreement are amended so as to accord with and give effect to the provisions of this Agreement.

**18. GOVERNING LAW AND JURISDICTION**

18.1 This Agreement and all non-contractual or other matters or obligations arising out of or in connection with it is governed by, and shall be construed in accordance with, laws of Hong Kong.

18.2 Any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity, interpretation, breach or termination shall be referred to and finally resolved by arbitration at the Hong Kong International Arbitration Centre ("HKIAC") in accordance with the HKIAC Administered Arbitration Rules ("**Rules**"), which Rules are deemed to be incorporated by reference into this clause and as may be amended by the rest of this clause.

18.3 The appointing authority shall be HKIAC and the seat of arbitration shall be Hong Kong.

18.4 The language of the arbitration proceedings shall be English.

18.5 The arbitration tribunal shall consist of three (3) arbitrators: each party shall designate one (1) arbitrator and the two (2) arbitrators thus appointed shall designate the third arbitrator who shall be the presiding arbitrator; if within 30 days of a request from the other party to do so a party fails to designate an arbitrator, or if the two (2) arbitrators fail to designate the third arbitrator within 30 days after the confirmation of appointment of the second arbitrator, the appointment shall be made, upon request of a party, by the HKIAC Council in accordance with the Rules.

**SCHEDULE 1**  
**DETAILS OF MJ**

	<b>MJ</b>
Place of incorporation:	Japan
Registered office:	2-1, Ohtemachi 1-Chome, Chiyoda-ku, Tokyo, Japan
Directors:	Mr. Shoei Utsuda, Mr. Masami Iijima, Mr. Ken Abe, Mr. Junichi Matsumoto, Mr. Norinao Iio, Mr. Seiichi Tanaka, Mr. Takao Omae, Mr. Akishige Okada, Ms. Nobuko Matsubara, Mr. Ikujiro Nonaka and Mr. Hiroshi Hirabayashi
Secretary:	N/A
Accounting Reference Date:	31 March
Auditors:	Deloitte Touche Tohmatsu LLC
Authorised share capital:	2,500,000,000 shares
Issued share capital:	Amount of the issued and paid up capital: ¥341,481,648,946 Total number of shares issued: 1,829,153,527 shares
Number of Shares as of the date of this Agreement:	0
% of Shares as of the date of this Agreement:	0%

**SCHEDULE 2**  
**DETAILS OF THE CG ENTITIES**

	<b>CG</b>	<b>CG Bidco</b>
Place of incorporation:	Beijing	Hong Kong
Registered office:	No. 27 Wanshou Road, Haidian District, Beijing, the PRC	Unit 2306, 23 <sup>rd</sup> Floor, Marina House, 68 Hing Man Street, Shaukeiwan, Hong Kong
Directors:	熊群力 (XIONG Qunli) 刘烈宏 (LIU Liehung) 郎加 (LANG Jia) 李克成 (LI Kecheng) 杨贤足 (YANG Yinju) 胡鸿福 (HU Hongfu) 董云庭 (DONG Yunting) 谢松林 (XIE Songlin) 苏端 (SU Duan)	YAN Xiaoyang (严笑阳) CONG Ya Dong (丛亚东) CHEN Tao (陈滔) HONG Guan Qi (洪观其) WANG Qiu Ping (王秋平)
Secretary:	None	China Joy Accounting & Secretaries Limited
Accounting Reference Date:	31 December	31 December
Auditors:	Daxin Certified Public Accountants	Hong Kong auditors: 萬信嘉 華會計師事務所有限公司  PRC auditors: Daxin Certified Public Accountants
Authorised share capital:	RMB7,930,221,996.64	HK\$24,616,800
Issued share capital:	RMB7,930,221,996.64	HK\$24,616,800
Number of Shares as of the date of this Agreement:	In aggregate CG beneficially owns 574,060,000 Shares, amongst which 370,450,000 Shares are directly owned by CG Hong Kong and	0

	200,000,000 Shares are directly owned by CG Shenzhen	
% of Shares as of the date of this Agreement:	In aggregate CG beneficially owns 27.19% in the issued capital of the Company, amongst which 17.55% is directly owned by CG Hong Kong and 9.47% is directly owned by CG Shenzhen	0%

**SCHEDULE 3**  
**DEED OF ADHERENCE**

**THIS DEED OF ADHERENCE** is made on [•] 201[•]

BY [*insert name of New Shareholder*] of [*insert address of New Shareholder*] [*"insert name"*] in favour of the persons whose names are set out in the schedule to this Deed and for the benefit of every other person who becomes a party to the Agreement (as subsequently defined) after the date of this Deed and is **SUPPLEMENTAL** to an shareholders agreement dated [•] January 2010 entered into by Mitsui & Co., Ltd., China Electronics Corporation and CEIEC (H.K.) Limited in relation to shares in TPV Technology Limited (the "**Company**") (the "**Shareholders Agreement**").

**INTRODUCTION:**

- (A) [New Shareholder] has agreed to acquire shares in the capital of the Company.
- (B) This Deed is made in compliance with clause 11 of the Shareholders Agreement under which it is a condition of the transaction referred to in (A) above that [•] executes a deed of adherence to the Shareholders Agreement prior to such acquisition.
- (C) Words and expressions defined in the Shareholders Agreement shall have the same meaning when used in this Deed.

**IT IS AGREED** as follows:

1. [New Shareholder] confirms that [he/it] has been given and has read a copy of the Shareholders Agreement and, pursuant to clause 11 of the Shareholders Agreement, covenants with and for the benefit of each person named in the schedule to this Deed and for the benefit of any other person who becomes a party to the Shareholders Agreement after the date of this Deed to perform, comply with and be bound by all the terms of the Shareholders Agreement insofar as they remain to be observed, as if [New Shareholder] was an original party to the Shareholders Agreement and was named in it as ['MJ'/a 'CG Entity'] and agrees to hold such Shares with the benefit of the rights, and subject to the restrictions, set out in the articles of association of the Company and consents to its name being entered in the register of members of the Company as the holder of the Shares acquired.
2. [New Shareholder] represents and warrants that it has complied with the undertaking set out in clause 3.1 of the Shareholders Agreement for a continuous period of 5 years prior to the date of this Deed.
3. The address of [New Shareholder] for the purposes of clause 16 (Notices) of the Shareholders Agreement is set out below:

Address: [•]

Email address: [•]

Fax number: [•]

(attention of: [•]).

4. This Deed is governed by the laws of Hong Kong and the terms of clause 17 (Governing Law and Jurisdiction) of the Shareholders Agreement shall apply to the Deed as if it was incorporated in it.

**EXECUTED and DELIVERED as a DEED** on the date set out above.

*[Execution blocks]*

\*\*\*\*\*

#### **SCHEDULE**

1. MJ
2. CG
3. CG Bidco

*[Including those persons who have executed earlier deeds of adherence.]*

## SIGNATURE PAGE

**EXECUTED** by the parties:

Signed by )  
For and on behalf of )  
**MITSUI & CO., LTD.** )



Name: Mr. Shuji Nakura

Signed by )  
For and on behalf of )  
**CHINA ELECTRONICS CORPORATION** )

Name: Mr. Lu Ming

Signed by )  
For and on behalf of )  
**CEIEC (H.K.) LIMITED** )

Name: Mr. Yan Xiaoyang



**SIGNATURE PAGE**

**EXECUTED** by the parties:

Signed by )

For and on behalf of )

**MITSUI & CO., LTD.** )

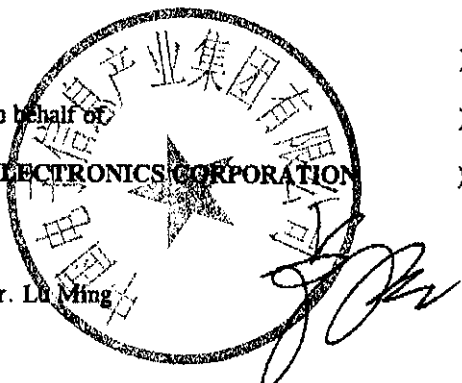
Name: Mr. Shuji Nakura

Signed by )

For and on behalf of )

**CHINA ELECTRONICS CORPORATION** )

Name: Mr. Lu Ming



Signed by )

For and on behalf of )

**CEIEC (H.K.) LIMITED** )

Name: Mr. Yan Xiaoyang

Shareholders' Agreement

## SIGNATURE PAGE

**EXECUTED** by the parties:

Signed by )

For and on behalf of )

**MITSUI & CO., LTD.** )

Name: Mr. Shuji Nakura

Signed by )

For and on behalf of )

**CHINA ELECTRONICS CORPORATION** )

Name: Mr. Lu Ming

Signed by

For and on behalf of

**CEIEC (H.K.) LIMITED**



Name: Mr. Yan Xiaoyang