

TCL Electronics Partners with Sunshine 100 to Develop the Leading Shared Smart Apartment

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Business Diversification Further Enhanced Smart Home Turned into Reality

(Hong Kong, 17 August 2018) **TCL Electronics Holdings Limited** (“**TCL Electronics**” or “**the Company**”; 01070.HK) announced today its across-the-board strategic cooperation and planning of establishment of a joint venture with **Sunshine 100 China Holdings Limited** (“**Sunshine 100**”, 02608.HK) to jointly develop Hima Alaya Shared Smart Apartment on the Living Window launching event. Mr. Kevin Wang, Executive Director and Chief Executive Officer of **TCL Electronics** and Mr. Yi Xiaodi, Chairman & Executive Director of **Sunshine100** signed the cooperation framework agreement to propel implementation of the leading shared smart apartment in China. **TCL Electronics** will enter into the realm of shared smart apartment operations through the joint venture.

The joint venture, with registered capital of RMB 50 million, will be 49% owned by **TCL Electronics** with investment of RMB 24.5 million and 51% by **Sunshine 100** with investment of RMB 25.5 million. **TCL Electronics** and **Sunshine 100** will integrate their individual competitive edges and resources to launch the **Sunshine 100** Hima Alaya Apartment equipped with TCL smart home system, facilitating rapid growth of its business strategy for Hima Alaya Shared Smart Apartment. Both sides will join efforts in promoting the core product vision of “Sharing Space, Sharing Time”, which represents an avant-garde concept of future living and a new way to experience AI and smart living.

TCL Electronics and **Sunshine 100** plan to achieve multi-dimensional cooperation through the joint venture: first, cooperation in creating a shared smart apartment with premium membership management targeting business professionals; second, product cooperation, the Hima Alaya Apartment developed by **Sunshine 100** will fully adopt **TCL Electronics**’ entire smart AI home products, including smart items, smart home systems and software, smart community platform services; third, clientele cooperation, the two parties will select Hima Alaya Apartment as business travel accommodation for their business professionals through investment or lease, and expand customer base by fully leveraging both brand influences; fourth, exploiting the brand and marketing advantages of both companies in a bid to bring new growth momentum to the joint venture.

Sunshine 100 has successfully developed over 30 projects in more than 20 cities including Beijing, Tianjin, Chongqing and Changsha, with the Hima Alaya Apartment series distinguished as top luxury serviced apartments. Embedded with powerful artificial intelligence systems, the smart TV of **TCL Electronics** realizes smooth and natural human-machine interaction through application of such technologies as speech recognition, natural language processing, machine vision and user persona. With its advantage of a large screen, the smart TV serves as the core product in a smart home.

By fully leveraging the resources and advantages of both sides, the cooperation enables the existing top luxury serviced Hima Alaya Apartment to be complemented with **TCL Electronics**’ full-array

smart home systems, thereby being upgraded to be a shared smart apartment. The two parties will jointly operate the apartment with premium membership management in an effort to offer star-rated hotel experience to business professionals, making it the first-of-its-kind smart home apartment in China.

Capitalizing on its rich experience in the TV industry, **TCL Electronics** establishes a smart home system centered on smart TV and creates hardware-software integrated smart-home solutions, which will be built into the Hima Alaya Shared Smart Apartment. TCL's smart TV is not only an audio and visual entertainment device, but also the mainstay of smart home. Through speech interaction with the smart TV, residents can control over air-conditioners, refrigerators, washing machines and other household smart products. Moreover, a new product released by the Company on the same day — Living Window, a floating window all-scenario TV, is equipped with diversified functions, such as “butler services”, “audio and visual entertainment” and “art appreciation”. It creates a 24-hour all-scenario solution for users, thereby enabling TV to become the core of home appliance connection in smart home life. This facilitates providing smarter household living experience to the apartment's customers and luring premium clients.

TCL Electronics' strategic cooperation with **Sunshine 100** adheres to the long-term development strategy of the Company and exemplifies its determination to develop diversified businesses. Proactively seizing the opportunities of the rapid growth period of its smart home business, the Company propels the upgrade of smart home appliance business and layout of smart home. In future, the Company will remain steadfast on promoting diversified business development, in particular establishing new businesses on the foundation of smart TV ecosystem in a bid to explore new profit points, thereby driving growths in both business scale and valuation of the Company and creating greater value for shareholders.



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About TCL Electronics

Headquartered in China, TCL Electronics Holdings Limited (HKSE stock code: 01070) is one of the leading players in the global TV industry, and is engaged in the research and development, manufacturing and distribution of consumer electronic products. Through a new product-and-user-oriented business model that focuses primarily on a “double +” strategy which includes “smart + internet” and “products + services” as the main direction, TCL Electronics strives to build a comprehensive ecosystem for smart TVs that provides users with a superior experience with its smart products and services. TCL Electronics ranked No.3 in the global LCD TV market with a market share of 10.9% for the year 2017 according to the latest IHS Technology and the Company’s shipment data, and ranked No.3 in the LCD TV market in the PRC with a market share of 12.1% in the first quarter of 2018 according to CMM’s omni-channel data. TCL Electronics is included in the eligible shares list of the Shenzhen-Hong Kong Stock Connect Scheme and Hang Seng Stock Connect Hong Kong Index. For more information, please visit its website: <http://electronics.tcl.com>.

About Sunshine100

Sunshine100 Real Estate Group (HKSE stock code: 02608) is a real estate developer that focuses on China's emerging urban white-collar and middle-class market to provide innovative residences and fashionable lifestyles for people who appreciate the finer things in life. It has played a leading role in this niche Chinese market. Sunshine100 was founded by Mr. Yi Xiaodi (Chairman & President) in 1999, which successfully developed the "Sunshine100 international Apartment" in Beijing's CBD. Since the year 2000, Sunshine100 has developed more than 20 large-scale projects in a list of cities including: Tianjin, Chongqing, Changsha, Ji'nan, Nanning, Shenyang, Chengdu, Wuxi, Yantai, Dongying, Liuzhou, Guilin and many others. In addition to Beijing, the development layout is greater than 10 million square meters. Recognized as a professional and dedicated developer, Sunshine100 excels in its niche market strategy and unique path of individualization as a developer of innovative residences, for the emerging urban white-collar class, in upwardly mobile areas. Since the year 2000, Sunshine 100 has kept a steady growth rate.

Sunshine100 Real Estate Group is a highly respected corporation in local markets and insists on a positive corporate culture and philosophy. It is a sparkplug for an innovative lifestyle in the pursuit of "simplicity, freedom and youth". Since 2004, it has been continuously recognized in "China Real Estate Enterprise Scale Top10", "China's 500 Most Valuable Brands", and "China blue-chip real estate enterprise" awarded by The Economic Observer as one of the most certified medium organizations in China.

For Enquiries:

Strategic Financial Relations (China) Limited

Ms. Serine Li	Tel: (852) 2864 4835
Ms. Winnie Lau	Tel: (852) 2864 4876
Ms. Karen Li	Tel: (852) 2864 4837
Ms. Gloria Huang	Tel: (852) 2864 4839
Ms. Sherry Liu	Tel: (852) 2114 4907
Ms. Yoki Zhao	Tel: (852) 2114 4949
Ms. Michelle Ma	Tel: (852) 2114 4954

Email: sprg-tcl@sprg.com.hk