

**TCL Electronics' Sales Volume of TV Sets Exceeds 21.12 Million
for the First Three Quarters,
Achieves Quarterly Record High in the Third Quarter**

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**Strong Sales Growth Momentum Continues in the PRC and Overseas Markets
Completes 82.5% of Full-year Sales Target**

(Hong Kong, 15 October 2018) **TCL Electronics Holdings Limited** (“**TCL Electronics**” or “**the Company**”; 01070.HK) today announced the sales volumes of its TV products in the Third Quarter (July to September) and the First Three Quarters (January to September) of 2018. With sustainable and strong sales growth, the Company achieved its highest quarterly sales volume, nearly 8 million sets, in the Third Quarter. It reached 21.12 million sets, up by 31.1% year-on-year in the First Three Quarters and has completed 82.5% of its full-year target of 25.60 million sets.

Benefiting from the substantial improvement in its product competitiveness, and continuous optimization of product mix and channel structure, TCL Electronics' LCD TV sales volume grew by 22.1% year-on-year to 7,949,367 sets in the Third Quarter of 2018, hitting a record high in quarterly sales volume. Among which 5,826,271 were smart TVs and 2,336,571 were 4K TVs, up by 42.7% and 54.9% year-on-year respectively. The overall LCD TV sales volume for the First Three Quarters of the year remained strong growth momentum and increased to 21,122,674 sets, surging by 31.1% year-on-year. The sales volume of smart TVs and 4K TVs in the First Three Quarters significantly increased to 15,209,174 sets and 6,110,057 sets, climbing notably by 49.1% and 63.6% year-on-year respectively.

In the PRC market, the Company's LCD TV sales volume increased by 23.7% year-on-year to 2,696,131 sets in the Third Quarter, within which sales volume of smart TVs and 4K TVs accounted for 80.9% and 49.9%, respectively (excluding ODM business in both categories). The LCD TV sales volume for the First Three Quarters of the year reached 7,584,767 sets and rose by 25.4% year-on-year, within which sales volume of smart TVs and 4K TVs represented 81.3% and 51.9%, respectively (excluding ODM business in both categories). TCL Electronics continued to embrace its premium product strategy and optimize its product structure, boosting its competitiveness in the PRC market.

In overseas markets, the Company's LCD TV sales volume grew by 21.3% year-on-year to 5,253,236 sets in the Third Quarter. Its LCD TV sales volume rose by 34.5% year-on-year to 13,537,907 sets in the First Three Quarters. The continuous effort of the Company in taking its globalization strategy to even greater depth, expanding sales channels and boosting economies of scale explained the continuous increase in sales volumes in various overseas markets, as well as

the Company's brand influence. By accelerating market penetration, the Company's sales volume increased markedly in North America and climbed to the 2nd place in the market in July and August, according to the latest NPD market research report. The European markets remained steady growth year-on-year, with continuous sales momentum in France, Germany and Spain. As for the emerging markets, they continued on a positive growth track, with Brazil, Australia and Vietnam as the key growth contributors.

The number of smart TV users rose rapidly. The number of newly-activated user operated by Huan reached 5,773,659 for the First Three Quarters. The number of accumulated users climbed to 29,310,181, and the daily average number of active users jumped to 13,893,154 (Source: Huan Technology Co., Ltd. ("Huan")).

Following the change of company name becoming effective, TCL Electronics has accelerated implementation of its business diversification development strategy. In the Third Quarter, it continued to transform and upgrade, making new moves and reporting many good news. Since August this year, the Company has been included as a constituent stock of the Hang Seng Stock Connect Hong Kong Index, which will help attract more quality investors. The Company also announced its industry-leading move – establishing strategic partnership with Sunshine 100 China to set up a joint venture which will create shared smart apartments in China. In September, TCL ranked 79th on the inaugural 2018 Digital 100 list by Forbes, becoming the only Chinese home appliance brand on the list. TCL also named among the Top 50 Chinese Global Brand Builders 2018 jointly released by Facebook and KPMG; its brand power is indisputable and highly recognized. In the future, the Company will consolidate its existing advantages in overseas markets and actively promote diversified business development in smart TV, smart AV, smart home and commercial display, to empower itself to become an international conglomerate in the electronics industry.

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From January to September 2018 (Unaudited)

	Accumulated Total (As at September 2018)	January- September 2018	January- September 2017	Y-o-Y Change (%)	July- September 2018	July- September 2017	Y-o-Y Change (%)
LCD TV sales volume	N/A	21,122,674	16,114,518	31.1%	7,949,367	6,511,126	22.1%
Of which: Smart TVs	N/A	15,209,174	10,201,833	49.1%	5,826,271	4,082,170	42.7%
– PRC Market	N/A	7,584,767	6,046,475	25.4%	2,696,131	2,179,592	23.7%
– Overseas Markets	N/A	13,537,907	10,068,043	34.5%	5,253,236	4,331,534	21.3%
Proportion of Smart TV in the PRC Market (excluding ODM business) (%)	N/A	81.3%	74.7%	N/A	80.9%	74.0%	N/A
Proportion of 4K TV in the PRC Market (excluding ODM business) (%)	N/A	51.9%	40.4%	N/A	49.9%	40.0%	N/A
Number of TCL Activated Smart TV Users ⁽¹⁾	29,310,181	5,773,659	4,475,385	29.0%	1,955,925	1,461,432	33.8%
Daily Average Number of Active Users ^{(2) (3)}	N/A	13,893,154	9,875,658	40.7%	N/A	N/A	N/A

⁽¹⁾ Number of TCL Activated Smart TV Users refers to the number of users who use the Internet TV web service for more than once

⁽²⁾ Daily Average Number of Active Users refers to the number non-repeat individual users who visit within 7 days

⁽³⁾ September 2018 data

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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. According to the latest Sigmaintell report, the Company ranked No.3 in the global TV market with a market share of 11.8% in terms of sales volume in the first half of 2018. According to CMM omni-channel data, the Company ranked No.1 in the PRC TV market with brand price index of 113. 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>

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