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TCL ELECTRONICS HOLDINGS LIMITED

TCL 電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(formerly known as TCL Multimedia Technology Holdings Limited

(TCL 多媒體科技控股有限公司))

(Stock Code: 01070)

**VOLUNTARY ANNOUNCEMENT
PLATFORM COOPERATION AGREEMENT WITH
SUNSHINE 100 CHINA**

This announcement is made by the Company on a voluntary basis.

The Company and Sunshine 100 China entered into the Platform Cooperation Agreement on 16 August 2018, pursuant to which the Company and Sunshine 100 China agreed to jointly establish the Joint Venture through its designated subsidiary(ies) incorporated in mainland China respectively as a management platform for sharing intelligitized operational network, and enter into the field of smart apartment sharing operation through the Joint Venture.

According to the terms of the Platform Cooperation Agreement, the registered capital of the Joint Venture would be RMB50,000,000, in which RMB25,500,000, i.e. 51% of the total registered capital, would be contributed by Sunshine 100 China's designated subsidiary(ies) incorporated in mainland China and RMB24,500,000, i.e. 49% of the total registered capital, would be contributed by the Company's designated subsidiary(ies) incorporated in mainland China.

The Joint Venture was established for the purposes of putting together the social resources of the parties and broadening the brand management of Sunshine 100 China's "Hima Alaya" and the Company's smart home products and solutions, as well as facilitating the shared smart apartments' layout of "Hima Alaya". The Joint Venture represents the development of Sunshine 100 China and the Company towards operational service providers and eco-product service providers, and the realisation of product operation via the platform.

The Joint Venture would assume the following rights and duties to implement the strategic cooperation between the Company and Sunshine 100:

1. Platform Function: The Joint Venture will serve as the shared smart network operational management platform to bring about the optimal “sharing + cooperation” arrangement.
2. Smart Product Function: The Company will provide integrated smart home solutions tailor made for the project “Sunshine 100 Hima Alaya”. The parties further agree that in future all lines of products under Sunshine 100 China will rely on the Joint Venture platform and fully adopt the intellectual smart home products of the Company, including the artificial intelligence (AI) home products, smart home systems and software, intellectual community platform, etc..
3. Clientele Expansion Function: The parties will invest in or rent apartments of Sunshine 100 China’s “Sunshine 100 Hima Alaya” in major cities in the PRC as the top priority of residence for business trips of the parties’ business personnel; in addition, each of the parties will also make use of its brand influence to assist to expand its clientele for the project “Sunshine 100 Hima Alaya” and identify potential target customers.
4. Strategic Promotion Function: The Joint Venture will make use of its marketing advantages to continue promoting the brand value and products of Sunshine 100 China and the Company in order to further advance the scale of sales of products and provide motivation for the future development of the Joint Venture.

To facilitate realisation of the purposes of the Joint Venture as mentioned above, Sunshine 100 China agrees to authorise and/or procure its affiliated company(ies) to grant a licence to the Joint Venture to use the “Hima Alaya” brand; and the Company agrees to authorise and/or procure its affiliated company(ies) to authorise the Joint Venture to adopt the Group’s intellectual home appliances and the brands, technical solutions and services of the smart home products. The specific arrangement in relation to such licence and authorisation will be determined by definitive agreements to be entered into between the parties.

Sunshine 100 China is a company listed on the Main Board of the Stock Exchange (Stock Code: 02608) and is principally engaged in property and land development, property investment and property management and hotel operation in the PRC. To the best of the Directors’ knowledge, information and belief, and after making all reasonable enquiries, Sunshine 100 China and its ultimate beneficial owners are Independent Third Parties.

Reasons for and benefits of entering into the Platform Cooperation Agreement

It is believed that the Company would benefit from the strengthened cooperation with Sunshine 100 China not only in its TV business, but also in its smart home products, including the AI home product, smart home systems and software, intellectual community platform, etc.. By entering into the Platform Cooperation Agreement, the Company would be able to leverage on Sunshine 100 China’s resources, advantages and experience in the real estate market to launch into the field of smart apartments sharing operation and further develop into the smart home business of the Company, which represents a further upgrade on the diversification of the Company. The Company will establish new businesses in the future by leveraging on the foundation in the smart TV environment and continuously expand into new profit growth sources to maximise values for the shareholders of the Company.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratio (as defined in the Listing Rules) in respect of the transactions contemplated under the Platform Cooperation Agreement fall below 5%, pursuant to Chapter 14 of the Listing Rules, the entering into of the Platform Cooperation Agreement is fully exempt from the reporting, announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

The Platform Cooperation Agreement sets out the framework and general principles for cooperation between the parties and that details of the cooperation and the rights and obligations of the parties thereunder are subject to the further negotiation and execution of definitive agreements in relation thereto. Further announcement will be made in compliance with the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

- “Company” TCL Electronics Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01070);

- “Director(s)” the director(s) of the Company;

- “Group” the Company and its subsidiaries;

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates;
“Joint Venture”	the joint venture to be established between the Company and Sunshine 100 China pursuant to the Platform Cooperation Agreement;
“Listing Rules”	the rules governing the listing of securities on the Stock Exchange;
“Platform Cooperation Agreement”	the operational network platform (company) cooperation framework agreement entered into between the Company and Sunshine 100 China on 16 August 2018;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;
“Sunshine 100 China”	Sunshine 100 China Holdings Ltd (陽光100中國控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on Main Board of the Stock Exchange (Stock Code: 02608); and
“TV(s)”	television(s).

On behalf of the Board
LI Dongsheng
Chairman

Hong Kong, 17 August 2018

As at the date of this announcement, the Board comprises Mr. LI Dongsheng, Mr. WANG Cheng Kevin, Mr. YAN Xiaolin and Mr. WANG Yi Michael as executive directors, Mr. Albert Thomas DA ROSA, Junior, Mr. HUANG Xubin, Mr. ZHANG Zhiwei and Mr. LIU Hong as non-executive directors and Mr. Robert Maarten WESTERHOF, Dr. TSENG Shieng-chang Carter, Professor WANG Yijiang and Mr. LAU Siu Ki as independent non-executive directors.