



TCL Multimedia's Sales Volume of LCD TV for the First Half of 2017 **Reached 9,603,392 Sets** Accumulated Users of Smart TV Totaled 20.3 Million

Sales Volume of Smart TVs and 4K TVs Surged by 49.8% and 45.6% **Year-on-Year Respectively**

(7 July 2017, Hong Kong) TCL Multimedia Technology Holdings Limited ("TCL Multimedia" or the "Group", HKSE stock code: 01070) today announced sales volumes of its TV products from April to June (the "second quarter) and from January to June 2017 (the "first half").

TCL Multimedia's LCD TV sales volume for the second guarter of 2017 increased by 12.6% year-on-year to 4,901,223 sets, of which sales volumes of smart TVs and 4K TVs increased by 51.1% and 43.7% year-on-year to 3,030,897 sets and 1,127,765 sets, respectively. For the first half of 2017, LCD TV sales volume rose by 12.2% year-on-year to 9,603,392 sets, of which sales volumes of smart TVs and 4K TVs increased by 49.8% and 45.6% year-on-year to 6.119.663 sets and 2.226.920 sets, respectively.

In the PRC market, the total LCD TV sales volume declined by 12.2% year-on-year to 1,650,628 sets in the second quarter of 2017of which sales volumes of smart TVs and 4K TVs accounted for 74.3% (excluding ODM business) and 40.8% (excluding ODM business) of LCD TV sales volume for the same period, respectively. For the first half of 2017, the total LCD TV sales volume dropped by 9.7% year-on-year to 3,866,883 sets, of which sales volumes of smart TVs and 4K TVs accounted for 75.1% (excluding ODM business) and 40.6% (excluding ODM business) of LCD TV sales volume for the same period, respectively. In the first half of 2017, TCL Multimedia saw an underperformance in the PRC Market. Nevertheless, its performance was still above the industry average, according to the analysis of third party organizations such as China Market Monitor Co., Ltd.

In the overseas markets, the Group's LCD TV sales volume grew by 31.4% and 34.1% year-on-year to 3,250,595 sets and 5,736,509 sets, respectively in the second guarter and the first half of 2017, which were mainly attributable to its strong sales performance in the North American market.

The number of activated smart TV users for January to June 2017 operated by Huan was 3,013,953; accumulated users has passed the 20 million mark, totaling 20,303,387 as of end of June 2017; and daily average number of active users was 9,169,637 (Source: Huan Technology Co., Ltd. ("Huan")).

From January to June 2017 (Unaudited)

	Accumulated Total (As at June 2017)	January – June 2017	January – June 2016	YoY Change (%)	April – June 2017	April – June 2016	YoY Change (%)
LCD TV sales volume	N/A	9,603,392	8,556,878	12.2%	4,901,223	4,353,484	12.6%
Of which: Smart TVs	N/A	6,119,663	4,084,656	49.8%	3,030,897	2,005,672	51.1%
PRC Market Overseas Markets	N/A N/A	3,866,883 5,736,509	4,280,639 4,276,239	-9.7% 34.1%	1,650,628 3,250,595	1,879,206 2,474,278	-12.2% 31.4%
Proportion of Smart TV in the PRC Market (excluding ODM business) (%)	N/A	75.1%	62.6%	N/A	74.3%	61.0%	N/A
Proportion of 4K TV in the PRC Market (excluding ODM business) (%)	N/A	40.6%	33.9%	N/A	40.8%	36.0%	N/A
Number of TCL Activated Smart TV Users (1)	20,303,387	3,013,953	2,632,815	14.5%	1,216,200	1,057,822	15.0%



Daily Average Number of Active Users (2) (3) N/A 9,169,637 6,244,653 46.8% 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

Daily Average Number of Active Users refers to the number of unrepeated individual users who visit within 7 days

3) June 2017 data

On 5 July 2017, FFalcon Technology Holdings Limited ("FFalcon"), a direct wholly owned subsidiary of TCL Multimedia together with Tencent Digital (Shenzhen) Company Limited ("Tencent Digital") held a strategic cooperation presentation in Shenzhen, China. The strategic cooperation between the two giants provides not only funding support for the development of smart television business, but also establishes a joint operation team for both parties. It will increase business operation value through big television screens for family entertainment, and deepen the cooperation in product upgrade and innovation, market resource synergies and membership coherence, so as to achieve strategic cross-boundary complementary effect on resources.



TCL Multimedia establishes cross-boundary collaboration with Tencent to further accelerate the promotion of the "Smart + Internet" new business model



FFalcon brand TV series
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About TCL Multimedia

Headquartered in China, TCL Multimedia Technology Holdings Limited (HKSE stock code: 01070) is one of the leading players in the global TV industry, 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 "intelligence + internet" and "products + services" as the main direction, it strives to build a comprehensive ecosystem for smart TVs that provides users with an exquisite experience with its smart products and services. The Group ranked No.3 in the global LCD TV market with a market share of 9.0% in 2016 according to the latest IHS Technology and the Company's shipment data, and ranked No.3 in the PRC LCD TV market with a market share of 13.6% in the first guarter of 2017 according to CMM's report. The Group is included in the eligible shares list of the Shenzhen-Hong Kong Stock Connect. For more information, please visit its website: http://multimedia.tcl.com.

This press release is issued by Cornerstones Communications Ltd. on behalf of TCL Multimedia Technology **Holdings Limited**. For further information, please contact:

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