

# TCL Multimedia's Accumulated Sales Volume of LCD TVs for 2017 Rose by 16.4% YoY to 23,231,141 Sets and Hit a Record High in Five Years Outperformed Full-year Sales Target of 22 Million Sets

## TCL's Full-year Sales Volume in North American Market in 2017 Surged by 131.5% YoY Maintained Robust Growth Momentum

(8 January 2018, 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 October to December 2017 (the "Fourth Quarter") and accumulated sales volumes for the year of 2017.

TCL Multimedia's LCD TV sales volume for the Fourth Quarter of 2017 increased by 30.5% year-on-year to 7,116,623 sets, of which sales volumes of smart TVs and 4K TVs increased by 57.6% and 64.9% year-on-year to 4,892,273 sets and 2,069,750 sets, respectively. The accumulated LCD TV sales volume for 2017 rose by 16.4% year-on-year to 23,231,141 sets, of which sales volumes of smart TVs and 4K TVs increased by 42.5% and 45.9% year-on-year to 15,094,106 sets and 5,804,951 sets, respectively. Thanks to continually improved product mix, optimised channel structure, enhanced overall efficiency driven by the advantages in the vertical integration of its complete industrial chain, the sales volume in the PRC market for the Fourth Quarter has rebounded, with a strong sales performance in the overseas markets. TCL Multimedia has gained the strongest growth in full-year sales volume in five years, and outperformed the full-year sales target of 22 million sets.

In the PRC market, the LCD TV sales volume increased by 15.9% year-on-year to 3,117,103 sets in the Fourth Quarter of 2017, of which sales volumes of smart TVs and 4K TVs accounted for 79.9% (excluding ODM business) and 47.6% (excluding ODM business) of LCD TV sales volume for the same period, respectively. The accumulated LCD TV sales volume for the year 2017 dropped slightly by 2.7% year-on-year to 9,163,578 sets, of which sales volumes of smart TVs and 4K TVs accounted for 76.3% (excluding ODM business) and 42.7% (excluding ODM business) of LCD TV sales volume for the same period, respectively. According to data from China Market Monitor Co., Ltd. ("CMM") and other third-party institutions, TCL Multimedia's full-year sales performance was well above industry average.

In the overseas markets, the Group's LCD TV sales volume grew by 44.7% and 33.5% year-on-year to 3,999,520 sets and 14,067,563 sets, respectively, in the Fourth Quarter and the year of 2017. Benefitted from years of in-depth market penetration in overseas markets, TCL Multimedia has developed distinct competitive edge in various countries and regions. Sales volume in the North American market and the emerging markets such as Brazil have maintained strong growth momentum. Among which, the North American market has achieved outstanding performance and its accumulated sales volume for the year of 2017 doubled with a significant year-on-year growth of 131.5%.

The number of activated smart TV users for the 2017 operated by Huan was 6,247,088; the number of accumulated users reached 23,536,522 as of the end of December 2017; and daily average number of active users was 10,809,751 (Source: Huan Technology Co., Ltd. ("Huan")).

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#### From January to December 2017 (Unaudited)

|   | Accumulated<br>Total (As at<br>December<br>2017) | January -<br>December<br>2017 | January -<br>December<br>2016 | YoY<br>Change  | October -<br>December<br>2017 | October -<br>December<br>2016 | YoY<br>Change  |
|---|--|-------------------------------|-------------------------------|----------------|-------------------------------|-------------------------------|----------------|
| LCD TV sales volume   | N/A  | 23,231,141                    | 19,955,705                    | 16.4%          | 7,116,623                     | 5,453,711                     | 30.5%          |
| Of which: Smart TVs   | N/A  | 15,094,106                    | 10,592,754                    | 42.5%          | 4,892,273                     | 3,104,068                     | 57.6%          |
| — PRC Market<br>— Overseas Markets  | N/A<br>N/A                                       | 9,163,578<br>14,067,563       | 9,414,913<br>10,540,792       | -2.7%<br>33.5% | 3,117,103<br>3,999,520        | 2,690,147<br>2,763,564        | 15.9%<br>44.7% |
| Proportion of Smart TV in the<br>PRC Market (excluding ODM<br>business) (%) | N/A  | 76.3%                         | 66.1%                         | N/A            | 79.9%                         | 73.6%                         | N/A            |
| Proportion of 4K TV in the<br>PRC Market (excluding ODM<br>business) (%)    | N/A  | 42.7%                         | 36.3%                         | N/A            | 47.6%                         | 41.1%                         | N/A            |
| Number of TCL Activated Smart TV Users <sup>(1)</sup>                       | 23,536,522                                       | 6,247,088                     | 5,364,578                     | 16.5%          | 1,771,703                     | 1,544,218                     | 14.7%          |
| Daily Average Number of Active Users <sup>(2) (3)</sup>                     | N/A  | 10,809,751                    | 7,473,240                     | 44.7%          | N/A                           | N/A                           | N/A            |

<sup>(1)</sup> Number of TCL Activated Smart TV Users refers to the number of users who use the internet TV web service for more than once

<sup>(2)</sup> Daily Average Number of Active Users refers to the number of unrepeated individual users who visit within 7 days

<sup>(3)</sup> December data

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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, engaging 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 7.1% in the first half of 2017 according to the latest IHS Technology figures, and ranked No.3 in the PRC LCD TV market with a market share of 13.6% in the first three quarters 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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