TCL Electronics (1070.HK) Included in Hang Seng Stock Connect Hong Kong Index

Tributes to Business Diversification Development Strategy Helps Optimise Shareholder Structure and Enhance Company Valuation

(Hong Kong, 13 August 2018) **TCL Electronics Holdings Limited** ("**TCL Electronics**" or "**the Company**"; 01070.HK) announced that the Company has been included in a constituent stock of the Hang Seng Stock Connect Hong Kong Index on 10 August, with effect from 10 September. By attracting more quality investors, the Company will further optimize its shareholder structure and help improve the Company's valuation.

The Company's inclusion in the Hang Seng Stock Connect Hong Kong Index implies that the Company has been highly recognized by investors as well as the Hong Kong capital market with regard to a high standard of market capitalization, trading volume, and liquidity of shares. Previously, **TCL Electronics** and **TCL Corp** (SZSE Stock Code: 000100.SZ) has also been included in the eligible shares list of the Shenzhen-Hong Kong Stock Connect Scheme, becoming a key focus of the two stock markets.

As a global leader in the TV industry, **TCL Electronics** has lived up to expectations and completed a number of breakthroughs and achievements in 2018, including the official renaming of "**TCL Multimedia Technology Holdings Limited**" to "**TCL Electronics Holdings Limited**", and determination in diversifying its businesses, such as Smart AV, commercial display and Smart Home, expansion of new profit growth opportunities, empowering itself to become an international conglomerate in the electronics industry.

The company successfully took the lead in global business layout, with outstanding performance and strong growth. For the year 2017, the turnover exceeded HK\$40 billion for the first time, increased by 22.4% year-on-year to HK\$40.82 billion, reaching a record high. In the first half of 2018, the sales volume of LCD TVs broke the ten million mark to 13.17 million units, once again hitting a five-year high for the growth rate. The inclusion of the Hang Seng Stock Connect Hong Kong Index indicates that the company has been greatly recognized by investors for its strategic deployment, business development and results performance.

Mr. Kevin Wang, Chief Executive Officer of TCL Electronics said "TCL Electronics is selected to be included in a constituent stock of the Hang Seng Stock Connect Hong Kong Index, which reflects the capital market recognition for the Company in terms of its operational and results performance after the company renaming and implementation of



business diversification strategy. Being included as a constituent stock, the Company will attract more potential investors with the capital from mainland China and the rest of the world, which will further support the Company's business development, enhance its brand awareness in the capital market, and optimize its investor structure, so as to increase valuation and stock liquidity, creating greater value for its shareholders in long term."

Hang Seng Indexes Company Limited launched the Hang Seng Stock Connect Hong Kong Index Series on 5 December, 2016 to provide a benchmark for the performance of equities listed in Hong Kong that are eligible for trading via the southbound trading link of the Stock Connect Scheme. Stocks included in the Hang Seng Stock Connect Hong Kong Index Series must also be the constituent stocks of the Hang Seng Composite Index, in addition to fulfilling a requisite turnover requirement, a market capitalization of at least HKD five billion (calculated as an average month-end market values of the past 12 months of any review period) amongst other selection criteria.

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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 12.9% in the first half 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.For more information, please visit its website: <u>http://electronics.tcl.com</u>

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