



TCL Electronics and CSOT Reach a Significant Milestone for Globalization Strategy with Integrated Manufacturing Bases in India

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Enter Huge Potential Indian Market in Full Swing Drive the Continuous Growth in Overseas Markets

(Hong Kong, 21 December 2018) **TCL Electronics Holdings Limited** (“**TCL Electronics**” or “the Company”; **01070.HK**) is pleased to announce that, the Company and Shenzhen China Star Optoelectronics Technology Co., Ltd (“**CSOT**”), a subsidiary of TCL Corporation, jointly build manufacturing bases in Andhra Pradesh, Southern India for its first integrated smart manufacturing industrial park in overseas markets. A groundbreaking ceremony was held on 20 December. The move signifies the determination and development of TCL Electronics and CSOT to accelerate the expansion in the Indian market and marks another step for globalization strategy.

According to the World Bank data, the population of India reached 1.34 billion in 2017, and the annual GDP growth rate in India is expected to maintain at around 6-8% in the next decade. By 2025, the average annual consumption growth rate in India will reach 12%, more than double the global average, making India the third-largest consumer market in the world. According to third-party data, the current annual market capacity for TV in India is around 10 million to 12 million sets, approximately one-fifth of China’s TV annual market capacity. As a country with the same population base as China, India’s huge population size will drive the rapid growth of consumption. With a strong potential growth for the TV market in the future, developing the Indian market is a significant strategic move for TCL’s sustainable growth in the overseas markets.

The TCL India integrated smart manufacturing industrial park includes a CSOT’s panel module factory and a smart TV manufacturing facility of TCL Electronics. The CSOT panel module factory will produce screens for TVs and mobile phones, with a designed production capacity of 8 million large-sized TV screens and 30 million small-sized mobile screens per year. The smart TV manufacturing facility of TCL Electronics is designed to manufacture 6 million 32-inch to 65-inch TV sets per year. It will not only serve the TCL brand, but also provide ODM services to other brands rooted in the Indian market. The TCL India industrial park is scheduled to commence production from the fourth quarter of 2019. After jointly entering the Indian market, TCL Electronics and CSOT will further exert great advantages of whole industrial chain. All-rounded coverage from production to sales enhances TCL’s integrated competitiveness in the Indian market. At the same time, the construction of its manufacturing base to expand the Indian market also signifies India’s strategic position in the Company’s overseas deployment, and the determination of the Company to vigorously develop this huge potential market.

TCL TV entered the Indian market in 2016, TCL impressed Amazon.in with its smart and 4K TVs. The Company now covers about 3,000 outlets, including large offline retailers Reliance Digital, Croma, Vijay Sales, as well as multiple major regional distributors.

TCL Electronics has continued to make dedicated efforts in the overseas markets in recent years. Its overseas markets contribute over 60% of both overall sales volumes and turnover. With the Company continuous investment in research and development and innovation, the Company has achieved brilliant results in product competitiveness, brand power and international reputation. Overseas markets have become an important growth engine of the Company. It will continue to take advantage of its integrated industrial chain and first-mover globalization strategy, further implement diversified business deployment and development strategies, empower itself to become an international conglomerate in the electronics industry and create greater value for shareholders.



Groundbreaking ceremony of TCL India integrated smart manufacturing industrial park

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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 electronics 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 strategic direction, TCL Electronics strives to build a comprehensive ecosystem for smart TVs that provides users 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 omni-channel data from CMM, the Company ranked No.3 in the PRC TV market with a market share of 12.6% in terms of turnover in the first three quarters of 2018. TCL Electronics is included on the list of eligible shares in 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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