

For Immediate Release



Tonly Electronics Holdings Limited
(Stock Code : 01249)

Tonly Announces Sales Revenue from Major Products for Third Quarter and First Three Quarters in 2017 (Unaudited)

(11 October 2016, Hong Kong) **Tonly Electronics Holdings Limited** (“Tonly Electronics” or “the Group”; SEHK stock code: 01249) announced its unaudited sales revenue ended 30 September 2017 for its major products. **The following products do not encompass all of the Group’s business and the information below does not completely reflect the Group’s performance during the period under review.**

Sales revenue of the major products of the Group was HK\$1,564 million for the third quarter in 2017, increased by 35.2% compared with the same period last year. Sales revenue of the major products of the Group in the first three quarters of the year was HK\$3,540 million, representing a 25.3% rise year-on-year (YoY). The growth was mainly attributable to the Group’s ‘new audio’ and ‘intelligent ancillary products’ business.

Sales revenue for audio products for the third quarter in 2017 rose by 43.9% YoY to HK\$1,319 million, while its sales revenue increased by 46.4% YoY to HK\$2,808 million in the first three quarters of the year. The increase was mainly attributable to new audio products such as wireless bluetooth speakers, soundbar, and headphones.

Sales revenue of video products fell by 34.8% YoY to HK\$154 million for the third quarter in 2017, and it recorded a decrease of 34.5% to HK\$586 million for the first three quarters in 2017. The fall was mainly due to the general downturn of the video disc players business, and the Group’s shutdown of overseas set top box business.

The business of intelligent ancillary products recorded a substantial growth due to volume shipments of products and relatively low base in the past. Its sales revenue surged by 22.5 times YoY to HK\$91 million for the third quarter in 2017. Sales revenue of said products in the first three quarters of the year rose by 11.2 times YoY to HK\$146 million. However, the business is still in its initial growing period and the market potential is yet to be further revealed.

-End-



Unaudited Sales Revenue (HK\$'000)	2017 Q3	2016 Q3	Change YoY (%)	2017 First 3Qs	2016 First 3Qs	Change YoY (%)
Audio Products⁽¹⁾						
– Traditional audio products	215,044	263,685	-18.4%	456,587	584,640	-21.9%
– New audio products	1,103,868	652,710	69.1%	2,351,830	1,333,614	76.4%
Subtotal	1,318,912	916,395	43.9%	2,808,417	1,918,254	46.4%
Video products⁽²⁾	154,259	236,729	-34.8%	586,041	894,373	-34.5%
Intelligent ancillary products⁽³⁾	90,612	3,859	2247.8%	145,871	12,002	1115.4%
Total	1,563,783	1,156,983	35.2%	3,540,329	2,824,629	25.3%

(1) Mainly include home theatre, mini speakers, wireless speakers, soundbar, and headphones

(2) Mainly include DVD player and BD player, OTT set top box (STB) and ABS-s receiver

(3) Mainly include intelligent voice speakers and ancillary products, intelligent modules, and intelligent gateways.

Note : The above products do not encompass all of the Group's business and the information above does not completely reflect the performance of the Group during the period under review. The above information is unaudited.

About Tonly Electronics

Tonly Electronics Holdings Limited (SEHK stock code: 01249), a high-tech smart products manufacturer with competitive industrial advantages, is principally engaged in the research and development, manufacturing and sales of audio and video products as well as wireless smart interconnectivity products. It is also developing into smart business. The Group is committed to becoming a one-stop smart IoT solutions provider based on the electroacoustic and wireless technologies. Its ultimate controlling shareholder is TCL Corporation (a company listed on the Shenzhen Stock Exchange, Stock code 000100.SZ).

For more information, please visit its website at www.tonlyele.com.

For further information, please contact:

Cornerstones Communications Ltd.

Sam Choi / Sharis Siu / Lizzy Ke

T: (852) 2903 9289 / 2903 9292 / 2903 9281

E: ir@tonlyele.com / tonly@cornerstonescom.com