

For Immediate Release



Tonly Electronics Holdings Limited
(Stock Code : 01249)

Tonly Announces Sales Revenue from Major Products for Fourth Quarter and Full Year in 2017 (Unaudited)

(10 January 2018, Hong Kong) **Tonly Electronics Holdings Limited** (“Tonly Electronics” or “the Group”; SEHK stock code: 01249) announced its unaudited sales revenue ended 31 December 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\$2,192 million for the fourth quarter in 2017, increased by 75.05% compared with the same period of last year. Sales revenue of the major products of the Group for the full year was HK\$5,732 million, representing a 40.61% 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 fourth quarter in 2017 rose by 87.35% YoY to HK\$1,728 million, while its sales revenue increased by 59.70% YoY to HK\$4,537 million for the full year. The increase was mainly attributable to the overall growth of new audio products such as wireless bluetooth speakers, soundbar, and headphones.

Sales revenue of video products fell by 45.36% YoY to HK\$145 million for the fourth quarter in 2017, and it recorded a decrease of 36.97% to HK\$731 million for the full year 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 enter into mass production. Its sales revenue surged by 4 times YoY to HK\$318 million for the fourth quarter in 2017. Sales revenue of said products for the full year rose by 5.1 times YoY to HK\$464 million. However, the group will keep to invest with more resources to capture the market opportunity as well as to break through on intelligent business.

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Unaudited Sales Revenue (HK\$'000)	2017 Q4	2016 Q4	Change YoY (%)	2017 Full Year	2016 Full Year	Change YoY (%)
Audio Products⁽¹⁾						
– Traditional audio products	249,852	204,609	22.11%	706,439	789,249	-10.49%
– New audio products ⁽⁴⁾	1,478,516	717,940	105.94%	3,830,346	2,051,554	86.70%
Subtotal	1,728,368	922,549	87.35%	4,536,785	2,840,803	59.70%
Video products⁽²⁾	145,018	265,418	-45.36%	731,059	1,159,791	-36.97%
Intelligent ancillary products⁽³⁾	318,225	63,998	397.24%	464,096	76,000	510.65%
Total	2,191,611	1,251,965	75.05%	5,731,940	4,076,594	40.61%

(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.

(4) Partial new audio products sales in 2016 reclassify to intelligent ancillary products for the reason of product form adjustment.

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.

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