For Immediate Release

Tonly Electronics Holdings Limited
(Stock Code：01249)

Tonly Announces Sales Revenue from Major Products for First Quarter in 2019 (Unaudited)

(10 April 2019, Hong Kong) **Tonly Electronics Holdings Limited** ("Tonly Electronics" or "the Group"; SEHK stock code: 01249) announced its unaudited sales revenue ended 31 March 2019 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 approximately HK$1,541 million for the first quarter in 2019, increased by 29.1% compared with the same period of last year. The growth was mainly attributable to the Group's 'audio products', 'headphones' and 'ancillary product' business.

Audio product business has now become the major business segment of the Group, especially in view of the growth of smart speakers and new audio business. Sales revenue for audio products for the first quarter in 2019 rose by 30.6% YoY to approximately HK$1,083 million.

Sales revenue for headphones for the first quarter in 2019 rose by 93.8% YoY to approximately HK$198 million. The Group will continue to enhance its technological development of True Wireless Stereo (TWS) earphones and voice interaction function of earphones in order to increase market share.

Sales revenue of video products fell by 57.1% YoY to approximately HK$55 million for the first quarter in 2019. The fall was mainly due to the general downturn of the video disc players market.

Sales revenue of IoT Related Products decreased by 21.2% YoY to approximately HK$41 million for the first quarter in 2019. The Group will further expand its efforts in independent R&D and technological innovation and enhance its product competitiveness.

Benefited from the inclusion of component products of Guangdong Regency Optics-Electron Corp, an subsidiary of the Group, into the Group's revenue of ancillary products in the first quarter of 2019, and the growth of ancillary product business supplementary to the smart products business, sales revenue of ancillary products rose by approximately 100% YoY to approximately HK$165 million for the first quarter in 2019.

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Unaudited Sales Revenue (HK$'000)	2019 Q1	2018 Q1	Change YoY (%)
Audio Products[1]	1,082,817	828,907	30.6%
Headphones	197,862	102,072	93.8%
Video products[2]	55,217	128,826	-57.1%
IoT Related Products[3]	40,527	51,444	-21.2%
Ancillary products[4]	164,712	82,639	99.3%
Total	1,541,135	1,193,988	29.1%

(1) Mainly include smart voice speakers, wireless speakers, soundbars, home theatres, and mini speakers

(2) Mainly include DVD players, BD players, OTT set top boxes (STB), and other products

(3) Mainly include smart plugs, smart gateways and other IoT products

(4) Mainly include fabric covering for external sales, plastic injection structural parts, speakers, wireless modules, and other components

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.

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

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