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TCL ELECTRONICS HOLDINGS LIMITED

TCL 電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

(1) NEW SHARES GRANT UNDER THE SHARE AWARD SCHEME

AND

(2) CONNECTED TRANSACTIONS – GRANT OF RESTRICTED SHARES TO CONNECTED PERSONS UNDER THE SHARE AWARD SCHEME

NEW SHARES GRANT

On 18 May 2021 (after trading hours), the Company has made the New Shares Grant under the Scheme Mandate pursuant to the terms of the Share Award Scheme to the New Shares Grantees, subject to their acceptance. This involves granting a total of 42,054,488 Restricted Shares being new Shares to 181 New Shares Grantees. None of the 181 New Shares Grantees are connected persons of the Company.

EXISTING SHARES GRANT

On 18 May 2021 (after trading hours), the Company has made the Existing Shares Grant pursuant to the terms of the Share Award Scheme to the Existing Shares Grantees, subject to their acceptance. This involves granting a total of 72,417,732 Restricted Shares being existing Shares to 45 Existing Shares Grantees, out of which 32 are connected persons and the remaining 13 are not connected persons of the Company.

LISTING RULES IMPLICATIONS

This disclosure is made pursuant to the circular of the Company dated 27 July 2015, in which it was stated that the Company would make further announcement as soon as practicable after the grant of Share Award under the Share Award Scheme in respect of (i) any grant which involves the allotment and issue of new Shares (whether to connected persons or non-connected persons); and (ii) any grant of Restricted Shares using existing Shares to connected persons.

Further, for Share Awards to the Connected Grantees under the Existing Shares Grant, since each of the Connected Grantees is a connected person of the Company by virtue of being a director, chief executive or substantial shareholder of member(s) of the Group, the Share Awards to them constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of Partly-exempt Share Awards exceed 0.1% but all are less than 5%, each of the Partly-exempt Share Awards is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Chapter 14A of the Listing Rules. Save for the Partly-exempt Share Awards, each of the other Share Awards to the Connected Grantees under the Existing Shares Grant is *de minimis* transaction and is fully exempt from shareholders' approval, annual review and all disclosure requirements.

BACKGROUND OF THE GRANTS

Falcon Technology was co-founded by the Group, as an associate of the Company, and various joint ventures partners in mid-2017 to engage in Internet smart television platform operation business. In March 2019, the Company completed an acquisition, via its subsidiary King Electrical, of approximately 15.56% of equity interest in Falcon Technology, following which (and up to the date of this announcement) Falcon Technology has become a subsidiary of the Company. For more information on the aforesaid establishment and acquisition, please refer to the Company's announcements dated 2 July 2017, 1 September 2017 and 23 January 2019.

As disclosed in the aforesaid announcements, the fast development of Internet smart television business is an important move for the Group to achieve "smart + Internet" strategic transformation and to build a "products + services" business model. Through technological advancement and exploration of innovative products, Falcon Technology Group has enhanced the comprehensive business value of the smart television device platform and provided large-screen over-the-top (OTT) media services such as videos, membership and education, etc. to its users. Over the past few years, the profitability and operation capability of Falcon Technology Group have significantly improved. In 2020, revenue from the domestic Internet business of the Group (which is primarily the relevant business of Falcon Technology Group) surged by 118.8% year-on-year to HK\$910 million. Additionally, Falcon Technology Group's revenue from membership business, value-added business and advertising business rose by 91.1%, 141.9% and 10.3% year-on-year, respectively. In December 2019, Falcon Technology was included in the "2019 South China New Economy Industry (Quasi) Unicorn List" of new economy data analyst iiMedia Research. In July 2020, Falcon Technology was enlisted as "China's Top 100 most investor-focused start-ups in 2020" by 36Kr (a brand and a platform dedicated to serving new economy participants in the PRC).

Falcon Technology believed that, among others, motivation and morale of Falcon Employees and Falcon Contributors were of crucial importance to the performance and development of Falcon Technology Group, especially in its start-up stage which required substantive effort, devotion and support from the teams. In order to boost their motivation and morale as well as to incentivise them to further contribute to the development of Falcon Technology Group by recognising their continuing effort and contribution to Falcon Technology Group and aligning their interests with those of Falcon Technology Group, in 2017, Falcon Technology adopted the Falcon Incentive Scheme for the benefit of the Falcon Incentive Scheme Participants. Pursuant to the terms of the Falcon Incentive Scheme, Falcon Technology may grant, and Falcon Technology has granted, Falcon RSUs to the Falcon Incentive Scheme Participants who, in the opinion of Falcon Technology, have contributed or would contribute to the continued business development and/or growth of Falcon Technology Group, subject to performance-linked vesting conditions and vesting schedules. Such incentive arrangement in the form of quasi-shareholding participation has facilitated the improvement of Falcon Technology's business performance since its adoption.

As Falcon Technology has become a subsidiary of the Company since March 2019, in order to further enhance the incentive effect of the existing incentive arrangement under the Falcon Incentive Scheme, as well as to strengthen the alignment of interests of the Falcon Incentive Scheme Participants with those of the Group, the Board has resolved to terminate the Falcon Incentive Scheme and to replace the Falcon RSUs already granted with Restricted Shares to be granted under the Share Award Scheme, pursuant to which (i) the Falcon RSU Holders are disenfranchised of their rights under the Falcon RSUs granted to them under the Falcon Incentive Scheme; and (ii) at the same time, the Falcon RSU Holders (each being an eligible Participant under the Share Award Scheme) are granted Restricted Shares under the Share Award Scheme (i.e. the Grants as more particularly set out below) with reference to the amount of Falcon RSUs already granted to such Falcon RSU Holders and the contribution made and to be made by such Falcon RSU Holders, subject to their acceptance.

For the avoidance of doubt, the Falcon Incentive Scheme does not constitute a share option scheme under Chapter 17 of the Listing Rules and is a discretionary scheme of Falcon Technology.

NEW SHARES GRANT

On 18 May 2021 (after trading hours), against the foregoing background, the Company has made the New Shares Grant under the Scheme Mandate pursuant to the terms of the Share Award Scheme to the New Shares Grantees, subject their acceptance. This involves granting an aggregate of 42,054,488 Restricted Shares, all being new Shares, to 181 New Shares Grantees, all being employees of the Group who are Falcon Incentive Scheme Participants and not being connected persons to the best of the Directors' knowledge, information and belief having made all reasonable enquiries. The New Shares Grantees have directly and/or indirectly contributed to the Falcon Technology Group by way of their positions held and roles played in the Group (such as strategy, human resource and administrative support, sales and marketing, etc.) and/or Falcon Technology Group.

Details of the New Shares Grant are as follows:

Number of New Shares Grantees	Relationship between the New Shares Grantees and the Group	Number of Restricted Shares granted	Approximate market value of Restricted Shares granted <i>(Note 1)</i> <i>(HK\$)</i>	Approximate percentage of the total number of issued Shares as at the date of this announcement <i>(Note 2)</i>
181	Employees of the Group	42,054,488	219,104,000	1.70%

Notes:

- 1. The approximate market value of Restricted Shares granted is calculated based on HK\$5.21 per Share, being the closing price of the Shares as quoted on the Stock Exchange on the Grant Date.*
- 2. The percentage is calculated on the basis that there are 2,469,840,933 Shares in issue as at the date of this announcement.*

The number of Restricted Shares granted to each of the New Shares Grantee is determined with reference to the amount of Falcon RSUs already granted to him/her (as a Falcon Incentive Scheme Participant) and the contribution made and to be made by such New Shares Grantee in view of his/her roles and responsibilities.

The said 42,054,488 new Shares shall be allotted and issued under the Scheme Mandate pursuant to the Share Award Scheme at par value to the Trustee who will hold such new Shares for the benefits of the relevant New Shares Grantees. The Company will bear the cost of such issue and no new funds will be raised. All the new Shares to be issued pursuant to the New Shares Grant, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all existing Shares presently in issue and at the time of allotment and issue of the said new Shares. The said new Shares represent approximately 1.70% of the issued Share capital as at the date of this announcement and approximately 1.67% of the enlarged issued Share capital after the issue and allotment.

Immediately following the New Shares Grant, the remaining maximum number of Restricted Shares which could be awarded in the form of new Shares under the existing Scheme Mandate is 29,083,744 Shares (representing approximately 1.18% of the total number of the issued Shares as at the date of this announcement).

The Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in, new Shares as Restricted Shares to be allotted and issued under the Scheme Mandate pursuant to the Share Award Scheme.

EXISTING SHARES GRANT

On 18 May 2021 (after trading hours), against the foregoing background, the Company has made the Existing Shares Grant pursuant to the terms of the Share Award Scheme to the Existing Shares Grantees, subject to their acceptance. This involves granting a total of 72,417,732 Restricted Shares being existing Shares to 45 Existing Shares Grantees, all being Falcon Incentive Scheme Participants, out of which 32 of them are connected persons (i.e. Connected Grantees) by virtue of being a director, chief executive or substantial shareholder of member(s) of the Group, and the remaining 13 of them are not connected persons to the best of the Directors' knowledge, information and belief having made all reasonable enquiries. For the avoidance of doubt, no new Shares will be issued and allotted upon vesting of the Restricted Shares under the Existing Shares Grant and none of the Existing Shares Grantees is a New Shares Grantee and vice versa.

The number of Restricted Shares granted to each of the Existing Shares Grantee is determined with reference to the amount of Falcon RSUs already granted to him/her (as a Falcon Incentive Scheme Participant) and the contribution made and to be made by such Existing Shares Grantee in view of his/her roles and responsibilities.

Among Share Awards made to the 32 Connected Grantees under the Existing Shares Grant, one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of Share Awards granted to each of Mr. WANG Cheng and Mr. YAN Xiaolin ("**Partly-exempt Share Award(s)**") exceed 0.1% but all are less than 5%, and each of the Partly-exempt Share Awards is therefore subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Chapter 14A of the Listing Rules. Save for the Partly-exempt Share Awards, each of the other Share Awards to the remaining 30 Connected Grantees (including the Share Awards to each of Mr. SUN Li and Mr. HU Lihua) under the Existing Shares Grant is *de minimis* transaction and is fully exempt from Shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

Details of the Existing Shares Grant are as follows:

	Relationship between the Existing Shares Grantees and the Group	Number of Restricted Shares granted	Approximate market value of Restricted Shares granted (Note 1) (HK\$)	Approximate percentage of the total number of issued Shares as at the date of this announcement (Note 5)
Connected Grantees:				
WANG Cheng	An executive Director (Note 2)	7,349,613	38,291,000	0.298%
YAN Xiaolin	An executive Director (Note 2)	3,388,174	17,652,000	0.137%
SUN Li	A non-executive Director (Note 2)	2,428,562	12,653,000	0.098%
HU Lihua	A former executive Director in the last 12 months from the Grant Date (Note 2)	485,713	2,531,000	0.020%
28 other Existing Shares Grantees	Employees of the Group (Note 2) (Note 3)	51,060,632	266,026,000	2.067%
Other Existing Shares Grantees who are not Connected Grantees:				
13 other Existing Shares Grantees	Falcon Contributors (Note 4)	7,705,038	40,143,000	0.312%

Notes:

1. *The approximate market value of Restricted Shares granted is calculated based on HK\$5.21 per Share, being the closing price of the Shares as quoted on the Stock Exchange on the Grant Date.*
2. *Such persons have directly and/or indirectly contributed to the Falcon Technology Group by way of their positions held and role played in the Group (such as administrative, legal and financial support, sales and marketing, research and development, strategy, etc.) and/or Falcon Technology Group.*
3. *These Connected Grantees are connected persons at the subsidiary level (as defined under the Listing Rules).*
4. *Such Falcon Contributors are employees of and/or officers of members of Affiliated Companies or TCL Holdings Group who have provided advisory and consultancy services to and hence have contributed to Falcon Technology Group by way of their positions held and roles played in such entities (such as financial and investment advisory services, project management advisory services, human resources advisory services, sales and marketing advisory services, information technology and technical advisory services, etc.) and accordingly they are regarded as consultant and/or advisors of Falcon Technology Group.*
5. *The percentage is calculated on the basis that there are 2,469,840,933 Shares in issue as at the date of this announcement.*

Immediately following the Grants, the remaining maximum number of Restricted Shares available for grant under the existing Scheme Limit (as defined in the circular of the Company dated 21 April 2021) is 118,757,710 (representing approximately 4.81% of the total number of the issued Shares as at the date of this announcement).

VESTING CONDITIONS OF RESTRICTED SHARES

The Restricted Shares under each of the New Shares Grant and Existing Shares Grant will be vested to the Grantees in tranches according to the following vesting schedule, subject to the Grantees' acceptance, the terms of the grant letter, the rules of the Share Award Scheme and fulfilment of the vesting conditions (if any) as set out below:

Types of Grants <i>(Note 1)</i>	Vesting conditions	Approximate proportion of the granted Restricted Shares to be vested	Vesting Date
Existing Shares Grant involving 65,071,992 Restricted Shares <i>(Note 2)</i>	Nil	40%	20 June 2022
	<i>(Such portion of Grants are made in view of the achievement of performance targets for 2017 to 2020 by the relevant Grantees, which have already been fulfilled, hence there is no additional vesting condition imposed in respect of such Grants.)</i>	30%	20 June 2023
		30%	20 June 2024
		<hr/> 100% <hr/>	
Existing Shares Grant involving 7,345,740 Restricted Shares <i>(Note 3)</i>	(i) achievement of Falcon Technology Group and individual performance targets for 2021; and	40%	20 June 2023
	(ii) provision of full-year service to Falcon Technology Group in 2021.	30%	20 June 2024
		30%	20 June 2025
		<hr/> 100% <hr/>	
New Shares Grant involving 38,743,541 Restricted Shares <i>(Note 4)</i>	Nil	40%	20 June 2022
	<i>(Such portion of Grants are made in view of the achievement of performance targets for 2017 to 2020 by the relevant Grantees, which have already been fulfilled, hence there is no additional vesting condition imposed in respect of such Grants.)</i>	30%	20 June 2023
		30%	20 June 2024
		<hr/> 100% <hr/>	

Types of Grants <i>(Note 1)</i>	Vesting conditions	Approximate proportion of the granted Restricted Shares to be vested	Vesting Date
New Shares Grant involving 3,310,947 Restricted Shares <i>(Note 5)</i>	(i) achievement of Falcon Technology Group and individual performance targets for 2021; and	40%	20 June 2023
	(ii) provision of full-year service to Falcon Technology Group in 2021.	30%	20 June 2025
		<hr/>	
		100%	
		<hr/> <hr/>	

Notes:

- Each Grantee was granted (i) Restricted Shares with nil vesting conditions; (ii) Restricted Shares with vesting conditions; or (iii) a combination of both, depending on numerous factors including the length of service, historical and expected future contribution and the role of such Grantee.*
- Such Restricted Shares comprise: (i) 7,349,613 Restricted Shares granted to Mr. WANG Cheng; (ii) 3,388,174 Restricted Shares granted to Mr. YAN Xiaolin; (iii) 2,428,562 Restricted Shares granted to Mr. SUN Li; (iv) 485,713 Restricted Shares granted to Mr. HU Lihua; (v) 43,714,892 Restricted Shares granted to 28 other Existing Shares Grantees who are Connected Grantees; and (vi) 7,705,038 Restricted Shares granted to 13 other Existing Shares Grantees who are not Connected Grantees.*
- Such Restricted Shares comprise 7,345,740 Restricted Shares granted to 1 other Existing Shares Grantee who is a Connected Grantee.*
- This involves Share Awards granted to 174 New Shares Grantees.*
- This involves Share Awards granted to 76 New Shares Grantees.*

If the vesting conditions in respect of a particular portion of the Restricted Shares cannot be achieved in full, such particular portion of the Restricted Shares shall not be vested to the relevant Grantee.

REASONS FOR AND BENEFITS OF THE GRANTS

As explained under the section headed “Background of the Grants” in this announcement, the Falcon Incentive Scheme has facilitated the improvement of Falcon Technology Group’s business performance since its adoption. In contrast to the Falcon RSUs being non-listed interests, the Grants can further enhance the incentive effect as the Restricted Shares are listed shares which are relatively liquid upon vesting. Moreover, the Company is of the view that it is more beneficial to the Company and the Shareholders as a whole by aligning the interests of the Falcon Incentive Scheme Participants with those of the Group as a whole, as opposed to only with those of Falcon Technology Group, so as to incentivise and motivate them to further contribute to the overall development of the Group.

Further, the Grants help to (i) attract and retain skilled and experienced personnel by providing them with the opportunity to acquire equity interests in the Company; (ii) recognise their continuing contribution to the success and development of the Group, and (iii) incentivise and motivate them to strive for the future development and expansion of the Group.

The Directors (including independent non-executive Directors) are of the view that the terms of the Grants are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the interests of the Company and its Shareholders as a whole.

Each of the Directors who is also a Grantee, namely Mr. WANG Cheng, Mr. YAN Xiaolin and Mr. SUN Li, is considered as having a material interest in the respective grant of Share Awards to himself under the Grants and has therefore abstained from voting on the board resolution(s) in respect of grant of Share Awards to himself under the Grants. Save for the aforementioned, none of the other Directors is considered as having a material interest in the Grants and is therefore entitled to vote on the relevant board resolution(s) pursuant to the Company’s articles of association.

LISTING RULES IMPLICATIONS

This disclosure is made pursuant to the circular of the Company dated 27 July 2015, in which it was stated that the Company would make further announcement as soon as practicable after the grant of Share Award under the Share Award Scheme in respect of (i) any grant which involves the allotment and issue of new Shares (whether to connected persons or non-connected persons); and (ii) any grant of Restricted Shares using existing Shares to connected persons.

Further, for Share Awards to the Connected Grantees under the Existing Shares Grant, since each of the Connected Grantees is a connected person of the Company by virtue of being a director, chief executive or substantial shareholder of member(s) of the Group, the Share Awards to them constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of Partly-exempt Share Awards exceed 0.1% but all are less than 5%, each of the Partly-exempt Share Awards is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Chapter 14A of the Listing Rules. Save for the Partly-exempt Share Awards, each of the other Share Awards to the Connected Grantees under the Existing Shares Grant is *de minimis* transaction and is fully exempt from shareholders' approval, annual review and all disclosure requirements.

GENERAL INFORMATION

The Group is principally engaged in the research and development, manufacturing and sale of consumer electronic products such as smart screens and mobile communication devices and independently develops home Internet services. The Group helps users to live a smart and healthy life covering household, mobile and commercial scenarios and is devoted to becoming a world-leading smart technology company with smart display as the core strategy and "AI x IoT" as technological driver. For more information on the Group, please visit its official website at <http://electronics.tcl.com> (the information that appears in this website does not form part of this announcement).

Falcon Technology, a subsidiary of the Company, is established in the PRC with limited liability. It is principally engaged in the Internet business.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“Affiliated Company(ies)”	TCL Technology, its subsidiaries and companies which, in accordance with the Chinese Accounting Standards for Business Enterprises, are recorded as affiliated companies in the financial statements of TCL Technology, which shall include any company in which TCL Technology is directly or indirectly interested in not less than 20% of its issued share capital (or in case such company has no share capital, having a power to exercise or control the exercise of not less than 20% of voting right in its members’ meeting) and for the purpose of the Share Award Scheme shall exclude the Group
“AI”	artificial intelligence
“Board”	the board of Directors
“chief executive”	has the meanings ascribed to it under the Listing Rules
“Company”	TCL Electronics Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 01070)
“Connected Grantee(s)”	Grantee(s) who is/are connected person(s) of the Company
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Employee(s)”	employee(s) (whether full-time or part-time) of any member of the Group (including without limitation any executive and non-executive director of any member of the Group)

“Excluded Person(s)”	any Participant(s) who is/are resident(s) in a place where the settlement of the reference amount and/or the award of the Restricted Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws and regulations of such place or where in the view of the Board compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Participant(s)
“Existing Shares Grant”	the Share Awards in the form of existing Shares to the Existing Shares Grantees as disclosed under the section headed “Existing Shares Grant” in this announcement
“Existing Shares Grantee(s)”	Selected Person(s) who is/are grantee(s) of the Existing Shares Grant
“Falcon Contributor(s)”	any employees and/or officers of members of the Group, TCL Holdings Group or Affiliated Companies who have contributed to Falcon Technology Group by way of their positions held and roles played in such entities and whom the board of directors of Falcon Technology in its sole discretion considers may contribute or have contributed to Falcon Technology Group
“Falcon Employee(s)”	employee(s) (whether full-time or part-time) of any member of the Falcon Technology Group (including without limitation any director of any member of Falcon Technology Group)
“Falcon Incentive Scheme”	the incentive scheme adopted by Falcon Technology in 2017 as amended from time to time for the purposes of recognising and motivating the contribution and aligning the interests of the employees and various contributors of Falcon Technology with those of Falcon Technology Group
“Falcon Incentive Scheme Participant(s)”	the participant(s) of the Falcon Incentive Scheme, namely any Falcon Employee or Falcon Contributor whom the board of directors of Falcon Technology in its sole discretion considers may contribute or have contributed to Falcon Technology Group

“Falcon RSU(s)”	restrictive share unit(s) which was/were awarded under the Falcon Incentive Scheme, being a contingent contractual right to receive income or distribution with reference to the performance of Falcon Technology Group, as determined by the board of directors of Falcon Technology in its absolute discretion
“Falcon RSU Holder(s)”	Falcon Incentive Scheme Participant(s) who is/are holder(s) of Falcon RSU(s)
“Falcon Technology”	Shenzhen Falcon Network Technology Co., Ltd.* (formerly literally translated and known as Shenzhen Thunderbird Network Technology Company Limited) (深圳市雷鳥網絡科技有限公司), a limited liability company established and subsisting under the laws of the PRC
“Falcon Technology Group”	Falcon Technology and its subsidiaries
“Further Shares”	Shares purchased or subscribed by the relevant Trustee out of cash income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon the relevant trust in respect of the administration of the Share Award Scheme
“Grantee(s)”	the Existing Shares Grantee(s) and/or the New Shares Grantee(s) (as the case may be)
“Grant(s)”	the Existing Shares Grant and/or the New Shares Grant (as the case may be)
“Grant Date”	18 May 2021, being the date of Share Awards under the Grants
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IoT”	Internet of things

“King Electrical”	TCL King Electrical Appliances (Huizhou) Company Limited* (TCL王牌電器(惠州)有限公司), a limited liability company established and subsisting under the laws of the PRC and a subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Shares Grant”	the Share Awards in the form of new Shares to the New Shares Grantees as disclosed under the section headed “New Shares Grant” in this announcement
“New Shares Grantee(s)”	Selected Person(s) who is/are grantee(s) of the New Shares Grant
“Participant(s)”	any Employee, adviser, consultant, agent, contractor, client or supplier of any member of the Group or any employee or officer of any Affiliated Company who has a managerial role in the Affiliated Company, whom the Board in its sole discretion considers may contribute or have contributed to the Group
“Partly-exempt Share Award(s)”	has the meaning ascribed to it under the section headed “Existing Shares Grant” in this announcement
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Restricted Shares”	in respect of a Selected Person, such number of Shares determined by the Board for grant of a Share Award and such Shares can be (i) new Shares issued by the Company at par for the relevant Selected Person; (ii) existing Shares purchased by the relevant Trustee on the market, in either case out of cash paid by the Company by way of settlement to the relevant trustee pursuant to the Scheme Rules; or (iii) Returned Shares or Further Shares awarded under the Share Award Scheme

“Returned Shares”	such Restricted Shares (out of the relevant Restricted Shares which are referable to a Selected Person) which are not accepted or vested in accordance with the terms of the Share Award Scheme (whether as a result of a total lapse or a partial lapse or otherwise), or such Shares being deemed to be Returned Shares in accordance with the terms of the Share Award Scheme, or forfeited in accordance with the terms of the Share Award Scheme
“Scheme Rules”	the rules related to the Share Award Scheme in its present or any amended form
“Scheme Mandate”	the specific mandate approved by the Shareholders at the annual general meeting of the Company on 2 June 2020 for the issuance and allotment of new Shares pursuant to the Share Award Scheme (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of new Shares that may be allotted and issued as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same)
“Selected Person(s)”	any Participant(s) (other than any Excluded Person) whom the Board may, from time to time, at its absolute discretion select for participation in the Share Award Scheme
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Share Award(s)”	award(s) of Restricted Share(s) to a Selected Person pursuant to the terms of the Share Award Scheme
“Share Award Scheme”	the restricted share award scheme adopted by Company on 6 February 2008 (as amended or revised from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”	any entity which falls within the meaning of the term “Subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly
“substantial shareholder(s)”	has the meanings ascribed to it under the Listing Rules
“TCL Holdings”	TCL Industries Holdings Co., Ltd.* (TCL實業控股股份有限公司), formerly known as TCL Industries Holdings (Guangdong) Inc.* (TCL實業控股(廣東)股份有限公司), a joint stock limited company established under the laws of the PRC, the ultimate controlling shareholder of the Company
“TCL Holdings Group”	TCL Holdings and its subsidiaries
“TCL Technology”	TCL Technology Group Corporation (TCL科技集團股份有限公司), formerly known as TCL Corporation (TCL集團股份有限公司), a joint stock limited company established under the laws of the PRC, the shares of which are listed on Shenzhen Stock Exchange (stock code: 000100)
“Trustee(s)”	the trustee(s) for the Share Award Scheme which will hold Shares for the benefit of the Selected Persons and others subject to the terms and conditions of the trust deed(s) in respect of the administration of the Share Award Scheme

On behalf of the Board
LI Dongsheng
Chairman

Hong Kong, 19 May 2021

The English translation of Chinese names or words in this announcement, where indicated by “”, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the Board comprises Mr. LI Dongsheng, Mr. WANG Cheng, Mr. YAN Xiaolin and Mr. HU Dien Chien as executive Directors, Mr. Albert Thomas DA ROSA, Junior, Mr. SUN Li and Mr. LI Yuhao as non-executive Directors and Mr. Robert Maarten WESTERHOF, Dr. TSENG Shieng-chang Carter, Professor WANG Yijiang and Mr. LAU Siu Ki as independent non-executive Directors.