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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)

## **RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2026**

The Board is pleased to announce the unaudited consolidated results of the Group for the three months ended 31 March 2026 with comparative figures for the corresponding period of the preceding financial year.

### **FINANCIAL HIGHLIGHTS**

	<b>Three months ended 31 March</b>		
	<b>2026</b>	<b>2025</b>	<b>Change</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	
	<b>HK\$ Million</b>	<b>HK\$ Million</b>	
Revenue	<b>29,225</b>	25,351	15.3%
Gross profit	<b>4,719</b>	3,699	27.6%
Profit after tax	<b>392</b>	117	236.0%
Profit attributable to owners of the parent	<b>359</b>	161	123.6%
Non-HKFRS measure:			
Adjusted profit attributable to owners of the parent	<b>384</b>	160	140.0%

## **The Group's results for the three months ended 31 March 2026**

### **1. Results Highlights**

In the first quarter of 2026, the Group firmly advanced its dual strategy of “Globalisation” and “Mid-to-High-End Positioning”, sustaining strong momentum in operational performance, with profit attributable to owners of the parent recorded significant year-on-year growth. Despite headwinds during the reporting period, including heightened geopolitical uncertainties in the Middle East, a sharp rise in crude oil prices, and fluctuations in global consumer electronics and home appliance market demand, the Group recorded a total revenue of HK\$29,225 million, representing a year-on-year increase of 15.3% compared with the corresponding period in 2025, with domestic and overseas revenue accounting for 39.0% and 61.0% of the total revenue, respectively. Benefitting from the continuous improvement in TCL TV's product mix and the accelerated scale expansion of the high-margin overseas internet business, the Group's gross profit increased by 27.6% year-on-year to approximately HK\$4,719 million, with gross profit margin improving by 1.5 percentage points year-on-year to 16.1%. Meanwhile, driven by continuous enhancement of operational efficiency, the overall expense<sup>1</sup> ratio decreased by 0.7 percentage points year-on-year to 12.5%. In the first quarter of 2026, the Group's profit after tax increased by 236.0% year-on-year to HK\$392 million and the adjusted profit attributable to owners of the parent increased by 140.0% year-on-year to HK\$384 million, demonstrating a significant enhancement in profitability. In addition, on 31 March 2026 (after trading hours), the Group announced the entering into of a legally binding definitive agreement with Sony for a strategic partnership in the home entertainment sector through a joint venture. The two parties will jointly build a new global home entertainment ecosystem, further deepening the Group's strategic presence in the global mid-to-high-end market. Looking ahead to the full year of 2026, the Group is confident in achieving sustained and steady growth through the firm execution of its strategies.

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<sup>1</sup> Overall expense includes selling and distribution expenses and administrative expenses.

## 2. Segment Results

The following table shows the Group’s revenue by business segment for the three months ended 31 March 2026 and 2025:

	Three months ended 31 March			
	2026	Proportion	2025	Proportion
	(unaudited) HK\$ Million	of the total revenue	(unaudited) HK\$ Million	of the total revenue
<b>Display Business<sup>2</sup></b>	<b>19,523</b>	<b>66.8%</b>	16,402	64.7%
Large-Sized Display	16,715	57.2%	14,264	56.3%
– The PRC Market	4,607	15.8%	4,433	17.5%
– International Market	12,108	41.4%	9,831	38.8%
Small-and-Medium-Sized Display	2,529	8.7%	2,002	7.9%
Smart Commercial Display	279	0.9%	136	0.5%
<b>Internet Business<sup>3</sup></b>	<b>740</b>	<b>2.6%</b>	654	2.6%
<b>Innovative Business<sup>4</sup></b>	<b>8,956</b>	<b>30.6%</b>	8,282	32.7%
Photovoltaic Business	4,809	16.4%	4,266	16.9%
All-Category Marketing	3,653	12.5%	3,603	14.2%
Smart Connection and Smart Home	494	1.7%	413	1.6%
<b>Others</b>	<b>6</b>	<b>0.0%</b>	13	0.0%
<b>Total Revenue</b>	<b>29,225</b>	<b>100.0%</b>	25,351	100.0%

<sup>2</sup> “Display business” (including large-sized display (i.e. TV business), small-and-medium-sized display and smart commercial display) corresponds to both (i) the “TV” segment; and (ii) the display business in both “Smart mobile, connective devices and services” segment and “Smart commercial display, smart home and other businesses” segment as set out in the operating segment information of the notes to the financial statements.

<sup>3</sup> “Internet business” refers to “Internet business” as set out in the operating segment information of the notes to the financial statements.

<sup>4</sup> “Innovative business” (including photovoltaic business, all-category marketing, smart connection and smart home business) corresponds to (i) “Photovoltaic business” segment; (ii) “All-category marketing” segment; and (iii) the remaining business after excluding the display business and other businesses in the “Smart mobile, connective devices and services” segment and the “Smart commercial display, smart home and other businesses” segment as set out in the operating segment information of notes to the financial statements.

## 2.1 Display Business

### Display Business Achieved Quality Growth

In the first quarter of 2026, leveraging the upward trend in brand momentum, efficient global channel expansion, and continuous optimisation of product mix, the Group's display business revenue increased by 19.0% year-on-year to HK\$19,523 million, gross profit increased by 39.9% year-on-year to HK\$3,316 million, and gross profit margin improved by 2.5 percentage points year-on-year to 17.0%. Among these, large-sized display business revenue increased by 17.2% year-on-year to HK\$16,715 million, benefitting from the continued increase in the proportion of mid-to-high-end and large-screen TVs. The product mix upgrade was further evidenced by the year-on-year increase in gross profit margin of 3.0 percentage points to 17.5%.

During the reporting period, the Group's TV global average screen size increased by 2.3 inches year-on-year to 55.6 inches. The shipment proportion of 65-inch and above TVs increased by 4.9 percentage points year-on-year to 32.6%; the shipment proportion of 75-inch and above TVs climbed 3.4 percentage points year-on-year to 17.1%. Meanwhile, TCL Mini LED TV maintained high growth, with global shipment surging by 102.1% year-on-year and its proportion increasing by 6.6 percentage points year-on-year to 15.4%; TCL Mini LED TV shipment in overseas market surged by 178.3% year-on-year, with its proportion increasing by 8.2 percentage points year-on-year to 14.2%. As the proportions of large-screen TVs and Mini LED TVs continued to rise, the product mix in overseas markets was further improved, driving the gross profit margin of the overseas large-sized display business up by 3.7 percentage points year-on-year to 16.6%.

In addition, the Group continued to expand its global channel footprint and deepen the development of key channels, further strengthening its retail capabilities and brand influence, driving TCL TV's market share to remain among the top three<sup>5</sup> in over 20 countries worldwide.

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<sup>5</sup> Source: Except for the U.S. market, where data is based on Circana's retail sales volume ranking data for the first quarter of 2026, all other markets are based on the Group's internal retail sales volume ranking data for the first quarter of 2026.

## **2.2 Internet Business**

### **Internet Business Sustained High Profitability**

In the first quarter of 2026, internet business revenue increased by 13.2% year-on-year to HK\$740 million, with the proportion of high-margin overseas internet business revenue increasing by more than 20.0 percentage points year-on-year, thereby driving the overall gross profit margin to improve significantly by 10.6 percentage points year-on-year to 65.0% and maintaining high earnings. In the international market, the Group strengthened its cooperation with leading platforms, including Google, Roku and Netflix, with the depth of collaboration continuing to intensify. Meanwhile, the Group further upgraded its integrated content application TCL Channel, with significant enhancements in content richness, user experience and monetisation efficiency and cumulative users of TCL Channel surpassing 49.50 million as of end of March 2026. In the domestic market, the Group focused on differentiated user experience, continuously optimising “LINGKONG UI” (a customisable smart UI) and other scenario-based service products and is committed to building industry-benchmark scenarios that redefines consumer perception. Leveraging its global home scenario resources, the Group continues to build a multi-screen linking, all-scenario smart service ecosystem to solidify its earnings base through scale expansion.

## **2.3 Innovative Business**

### **Innovative Business Achieved Continuous Scale Expansion**

In the first quarter of 2026, the Group’s innovative business revenue increased by 8.1% year-on-year to HK\$8,956 million. Within this segment, the photovoltaic business maintained a steady growth momentum with revenue increasing by 12.7% year-on-year to HK\$4,809 million and newly installed capacity exceeding 1.3GW.

During the reporting period, the Group’s photovoltaic business adhered to its “relatively asset-light” operating model while maintaining overall healthy operations. The domestic business achieved steady growth and its competitive advantages in the industry were further strengthened. Meanwhile, the Group steadily advanced its overseas market footprint and achieved tangible progress in key European countries. Benefitting from business scale expansion, improvements in operational quality, and the gradual materialisation of overseas market development, the gross profit margin of photovoltaic business improved year-on-year to 9.4%.

### **3. Non-HKFRS Measure: Adjusted Profit Attributable to Owners of the Parent**

During the reporting period, profit attributable to owners of the parent increased by 123.6% year-on-year from HK\$161 million in the first quarter of 2025 to HK\$359 million in the first quarter of 2026. Adjusted profit attributable to owners of the parent increased by 140.0% year-on-year from HK\$160 million in the first quarter of 2025 to HK\$384 million in the first quarter of 2026. This is primarily driven by the Group's proactive expansion in international markets, continuous optimisation of product mix, active deployment of global supply chain and channels, and continuous optimisation of the cost structure, which collectively drove significant enhancement in operational quality and profitability.

To supplement the Group's consolidated results prepared and presented in accordance with HKFRS Accounting Standards issued by the HKICPA, the Group uses adjusted profit attributable to owners of the parent as an additional financial measure. The Group defines adjusted profit attributable to owners of the parent as profit attributable to owners of the parent after adding back the following adjustments: (i) (gain)/loss from investment companies, net; (ii) (gain)/loss on disposal and liquidation of subsidiaries, net; (iii) (gain)/loss related to call options and put options, net; (iv) (gain)/loss on disposal of non-current assets, net; and (v) related income tax effect.

Whilst adjusted profit attributable to owners of the parent is not required by or presented in accordance with HKFRS Accounting Standards, the management of the Group believes that such non-HKFRS financial measure provides useful supplementary information to investors in assessing the results of the Group's core businesses by excluding the impact of certain non-cash items, investments and non-current assets transactions. However, such unaudited non-HKFRS financial measure should be regarded as supplement to, and not substitute for, the Group's financial results prepared in accordance with HKFRS Accounting Standards. In addition, the definition of such non-HKFRS financial measure does not have a standardised meaning prescribed by HKFRS Accounting Standards and therefore may not be comparable to similar measures presented by other companies, and may differ from similar terminology used by other companies. Accordingly, the use of such non-HKFRS measure has limitation as an analytical tool, and investors should not consider it in isolation form, or as a substitute for analysis of our results of operations or financial conditions as reported under HKFRS Accounting Standards.

The following tables set forth reconciliations of the Group's adjusted profit attributable to owners of the parent to the nearest comparable financial measure (profit attributable to owners of the parent) prepared and presented in accordance with HKFRS Accounting Standards.

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2026</b>	2025
	<b>(unaudited)</b>	(unaudited)
	<b>HK\$'000</b>	HK\$'000
Profit attributable to owners of the parent, as reported	<b>359,337</b>	160,684
(Gain)/loss from investment companies, net <sup>6</sup>	–	(492)
(Gain)/loss on disposal and liquidation of subsidiaries, net <sup>7</sup>	–	(327)
(Gain)/loss related to call options and put options, net <sup>8</sup>	<b>23,192</b>	373
(Gain)/loss on disposal of non-current assets, net <sup>9</sup>	<b>2,170</b>	(1,591)
Related income tax effect <sup>10</sup>	<b>(561)</b>	1,438
	<hr/>	<hr/>
Non-HKFRS measure:		
Adjusted profit attributable to owners of the parent	<b>384,138</b>	160,085
	<hr/> <hr/>	<hr/> <hr/>

<sup>6</sup> (Gain)/loss from investment companies, net includes net (gains)/losses on deemed disposals, disposals, liquidations, and deemed partial purchases/disposals of investment companies.

<sup>7</sup> (Gain)/loss on disposal and liquidation of subsidiaries, net includes gains on bargain purchase, and net (gains)/losses on deemed disposals, disposals and liquidation of subsidiaries.

<sup>8</sup> (Gain)/loss related to call options and put options, net includes changes in fair value of call options and put options, net (gains)/losses related to put option and net (gains)/losses on settlement of expired call options.

<sup>9</sup> (Gain)/loss on disposal of non-current assets, net includes net (gains)/losses on disposal of fixed assets, other intangible assets, right-of-use assets and other assets.

<sup>10</sup> Related income tax effect refers to the income tax effect of non-HKFRS adjustments.

## **FINANCIAL REVIEW**

### **Significant Investments, Acquisitions and Disposals**

Reference is made to the announcement of the Company dated 31 March 2026. Unless otherwise specified, capitalised terms used under this section shall have the same meanings as those defined in the aforesaid announcement.

On 31 March 2026 (after trading hours), TTE Corporation entered into the Transaction Framework Agreement with Sony, pursuant to which (i) TTE Corporation and Sony agreed to form a joint venture, i.e. the NewCo, which would assume the Business; and (ii) TTE Corporation agreed to purchase, and Sony agreed to sell, 100% of the SOEM Shares.

Pursuant to the Transaction Framework Agreement, the Initial Closing Consideration for the subscription for 51% NewCo Shares and purchase of 100% SOEM Shares shall be JPY75,399 million (equivalent to approximately HK\$3,781 million), subject to customary closing accounts adjustments mechanism. After the completion of the Transaction, the Group will hold 51% and Sony will hold 49% of the shares of the NewCo.

On the same day, the Company entered into the Purchaser Guarantee Agreement with Sony, pursuant to which the Company unconditionally and irrevocably, and jointly and severally, guarantees to Sony and its successors and permitted assigns the due and punctual performance and satisfaction by TTE Corporation of its covenants and obligations under or in connection with the Transaction Framework Agreement, the Joint Venture Agreement and the Transition Services Agreement.

On or prior to the Closing Date, TTE Corporation and the NewCo will enter into the Share Subscription Agreement in respect of the subscription of 51% NewCo Shares by TTE Corporation; further, the parties and/or certain of their affiliates will also enter into the other Ancillary Agreements as follows:

- (i) Sony and TTE Corporation will enter into the Joint Venture Agreement for the establishment, operation and governance of the NewCo, pursuant to which the initial capital contribution percentage to the NewCo from Sony and TTE Corporation shall be 49% and 51% respectively. The agreement will take effect upon the Closing Date. Pursuant to the Joint Venture Agreement, among others, TTE Corporation will grant the Sony Put Option and Default Exit Right to Sony, and Sony will grant the Default Call Option to TTE Corporation.
- (ii) Sony and TTE Corporation will enter into the Transition Services Agreement, pursuant to which Sony shall provide, or shall cause its affiliates or third party suppliers to provide, services including information technology, human resources, intellectual property, accounting and other transition services to the NewCo, SOEM and relevant affiliates aiming at the Business continuity of the aforesaid service recipients without disruption.

- (iii) Sony and the NewCo will enter into the Patent/Know-How License Agreement, pursuant to which Sony shall grant to the NewCo a non-exclusive, sublicensable (only in accordance with the terms of the Patent/Know-how License Agreement) and non-transferable license under certain intellectual property rights to exploit the Licensed Products worldwide in accordance with the terms thereof, effective as of the Closing Date until termination or expiration of the Joint Venture Agreement.
- (iv) Sony and the NewCo will enter into the Brand License Agreement, pursuant to which Sony shall grant to the NewCo a non-exclusive, sublicensable (only in accordance with the terms of the Brand License Agreement) and non-transferable license to use the trademark “SONY” on the Licensed Products and promotional materials worldwide in accordance with the terms thereof.

For further details, please refer to the Company’s announcement dated 31 March 2026. All transactions under the aforementioned agreements had not been completed as of 31 March 2026.

Save as disclosed above, the Group had no significant investment held as at 31 March 2026, and did not undertake any material acquisition or disposal of subsidiaries, associates or joint ventures during the three months ended 31 March 2026.

On 11 May 2026 (after trading hours), (i) TTE Corporation and Sony entered into an amendment agreement to the Transaction Framework Agreement to amend the agreed form of the Joint Venture Agreement and (ii) T.C.L. Industries (H.K.) issued a payment letter to Sony in relation to the Sony Put Option. For further details, please refer to note 8 of this announcement.

## FINANCIAL INFORMATION

The following condensed consolidated financial statements have not been audited, but have been reviewed by the Audit Committee.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Three months ended 31 March	
	Notes	2026	2025
		(unaudited)	(unaudited)
		HK\$'000	HK\$'000
REVENUE	5	29,225,227	25,351,371
Cost of sales		<u>(24,506,072)</u>	<u>(21,651,902)</u>
Gross profit		4,719,155	3,699,469
Other income and gains		415,139	572,963
Selling and distribution expenses		(2,268,919)	(2,055,097)
Administrative expenses		(1,370,016)	(1,291,911)
Research and development costs		(702,545)	(578,239)
Other operating expenses		(36,664)	(9,028)
Impairment losses on financial and contract assets, net		<u>(4,820)</u>	<u>(469)</u>
Finance costs	6	751,330	337,688
Share of profits and losses of: Associates		<u>(163,740)</u>	<u>(143,137)</u>
		8,026	32,946
<b>PROFIT BEFORE TAX</b>		595,616	227,497
Income tax		<u>(203,864)</u>	<u>(110,905)</u>
<b>PROFIT FOR THE PERIOD</b>		<u><u>391,752</u></u>	<u><u>116,592</u></u>

	<b>Three months ended 31 March</b>	
	<b>2026</b>	2025
	<b>(unaudited)</b>	(unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of the hedging instruments arising during the period	<b>48,468</b>	(186,294)
Reclassification adjustments for losses included in consolidated statement of profit or loss	<b>8,919</b>	6,097
Income tax effect	<b>338</b>	(858)
	<u>57,725</u>	<u>(181,055)</u>
Exchange differences:		
Exchange differences on translation of foreign operations	<b>650,140</b>	248,623
Reclassification adjustments for an associate liquidated during the period	–	1
Reclassification adjustments for remeasurement and deemed disposal of previously held interests in step acquisition of a subsidiary	–	7,374
	<u>650,140</u>	<u>255,998</u>
Financial assets at fair value through other comprehensive income:		
Changes in fair value of bills receivable, net of income tax	<b>(552)</b>	5,224
Share of other comprehensive income/(loss) of associates	<b>(199)</b>	214
Reclassification adjustments for remeasurement and deemed disposal of previously held interests in step acquisition of a subsidiary	–	(1,918)
	<u>707,114</u>	<u>78,463</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	<u><b>707,114</b></u>	<u>78,463</u>

	<i>Note</i>	<b>Three months ended 31 March</b>	
		<b>2026</b>	2025
		<b>(unaudited)</b>	(unaudited)
		<b>HK\$'000</b>	HK\$'000
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:			
Equity investments designated at fair value through other comprehensive income:			
Changes in fair value, net of income tax		<u>(285)</u>	<u>(965)</u>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		<u>(285)</u>	<u>(965)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<u><b>706,829</b></u>	<u>77,498</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u><b>1,098,581</b></u>	<u>194,090</u>
Profit/(loss) attributable to:			
Owners of the parent		<u>359,337</u>	160,684
Non-controlling interests		<u>32,415</u>	<u>(44,092)</u>
		<u><b>391,752</b></u>	<u>116,592</u>
Total comprehensive income/(loss) attributable to:			
Owners of the parent		<u>1,015,720</u>	195,388
Non-controlling interests		<u>82,861</u>	<u>(1,298)</u>
		<u><b>1,098,581</b></u>	<u>194,090</u>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	<b>7</b>		
Basic		<u><b>HK14.95 cents</b></u>	<u>HK6.63 cents</u>
Diluted		<u><b>HK14.16 cents</b></u>	<u>HK6.41 cents</u>

Notes:

## 1. BASIS OF PREPARATION

The accounting policies and the basis of preparation adopted in the preparation of these unaudited condensed consolidated financial statements are consistent with those adopted in the Group's annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance, except for the adoption of the revised HKFRS Accounting Standards as disclosed in note 2 below.

These unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, certain financial assets and equity investments which have been measured at fair value. These unaudited condensed consolidated financial statements are presented in HK\$ and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i>
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of the amended HKFRS Accounting Standards that is applicable to the Group is described below:

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments did not have significant impact on the condensed consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the “own-use” requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity’s financial performance and future cash flows. The amendments did not have any significant impact on the condensed consolidated financial statements.

*Annual Improvements to HKFRS Accounting Standards – Volume 11* set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments to be applicable to the Group are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. The amendments did not have significant impact on the condensed consolidated financial statements.
- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in HKFRS 16 and an extinguishment of a lease liability in accordance with HKFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. The amendments did not have significant impact on the condensed consolidated financial statements.
- *HKFRS 10 Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. The amendments did not have significant impact on the condensed consolidated financial statements.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term “cost method” with “at cost” in paragraph 37 of HKAS 7 following the prior deletion of the definition of “cost method”. The amendments did not have any impact on the condensed consolidated financial statements.

### 3. ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these condensed consolidated financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>1</sup></i>
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures<sup>1</sup></i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>2</sup></i>
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency<sup>1</sup></i>

<sup>1</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>2</sup> No mandatory effective date yet determined but available for adoption

As disclosed in the annual report of the Company for the year ended 31 December 2025, the Group is in the process of making an assessment of the impact of those applicable new and revised HKFRS Accounting Standards upon initial application.

### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their geographical TV segments and other product types and has six reportable operating segments as follows:

- (a) TV segment – manufacture and sale of TV in:
  - TCL TV – the PRC market; and
  - TCL TV – the international market;
- (b) Internet business segment – membership cards, video-on-demand, advertising, vertical application and other new businesses;
- (c) Smart mobile, connective devices and services segment – manufacture and sale of mobile phones, smart connective products and smart mobile display and service;
- (d) All-category marketing segment – distribution of TCL branded air conditioners, refrigerators, washing machines and other household appliances;
- (e) Photovoltaic business segment – sale of photovoltaic power generation equipment and systems, provision of construction, operation and maintenance services and other new energy technology businesses; and
- (f) Smart commercial display, smart home and other businesses segment.

The management of the Group monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on segment revenue and gross profit of each operating segment.

Information regarding these reportable segments, together with their related comparative information, is presented below.

	Three months ended 31 March															
	TV		TCL TV - international market		Internet business		Smart mobile, connective devices and services		All-category marketing		Photovoltaic business		Smart commercial display, smart home and other businesses		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Sales to external customers	4,606,812	4,453,388	12,107,717	9,831,407	740,130	653,585	2,856,329	2,279,077	3,652,805	3,603,471	4,808,611	4,266,012	452,823	284,431	29,225,227	25,351,371
Gross profit	927,881	805,201	2,004,646	1,268,659	481,066	355,272	445,774	370,167	350,346	471,200	449,870	396,779	59,572	32,211	4,719,155	3,699,469

## 5. REVENUE

An analysis of revenue is as follows:

	Three months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
<b>Geographical markets</b>		
Chinese mainland	11,384,814	11,220,762
Europe	4,027,506	2,866,707
North America	4,862,787	3,847,635
Emerging Market	8,950,120	7,416,267
	<hr/>	<hr/>
Total revenue from contracts with customers	<b>29,225,227</b>	25,351,371
	<hr/> <hr/>	<hr/> <hr/>

## 6. FINANCE COSTS

	Three months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Interest on:		
Bank/factoring loans and discounted bills	150,983	136,272
Deposits and loans from companies controlled by TCL Industries Holdings	6,691	1,987
Interest expense on lease liabilities	6,055	4,860
Deposits from affiliates of TCL Industries Holdings	11	18
	<hr/>	<hr/>
Total finance costs for the period	<b>163,740</b>	143,137
	<hr/> <hr/>	<hr/> <hr/>

**7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**

The calculations of the basic and diluted earnings per share are based on:

	<b>Three months ended 31 March</b>	
	<b>2026</b>	2025
	<b>(unaudited)</b>	(unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>Earnings</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	<u><u>359,337</u></u>	<u><u>160,684</u></u>
<b>Number of shares</b>		
	<b>Three months ended 31 March</b>	
	<b>2026</b>	2025
	<b>(unaudited)</b>	(unaudited)
<b>Shares</b>		
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme during the period used in the basic earnings per share calculation	<b>2,403,681,106</b>	2,423,456,280
Effect of dilution – weighted average number of ordinary shares: Awarded shares	<u>134,550,809</u>	<u>81,759,772</u>
Weighted average number of ordinary shares in issue during the period used in the diluted earnings per share calculation	<u><u>2,538,231,915</u></u>	<u><u>2,505,216,052</u></u>

## 8. EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement of the Company dated 11 May 2026. Unless otherwise specified, capitalised terms used under this note shall have the same meanings as those defined in the aforesaid announcement.

On 11 May 2026 (after trading hours), TTE Corporation and Sony entered into an Amendment Agreement to amend the agreed form of Joint Venture Agreement to include a cap to the aggregate amount of the Put Price for all three tranches of the Sony Put Option, which shall in no event exceed JPY100 billion (equivalent to approximately HK\$4.9 billion).

Save as varied by the Amendment Agreement, the terms of the Transaction Framework Agreement and the Joint Venture Agreement remain unchanged.

On the same day, T.C.L. Industries (H.K.) issued a payment letter to Sony, pursuant to which T.C.L. Industries (H.K.) undertook to Sony that, in the event that each amount of, any sum amount of, or the aggregate amount of the Put Price for each tranche of Sony Put Option exceeds the Aggregate Exercise Price Cap, T.C.L. Industries (H.K.) shall pay to Sony an amount equal to such excess on the relevant closing date, so as to make up for the shortfall between the Aggregate Exercise Price Cap and the amount that would otherwise be payable by TTE Corporation under Sony Put Option but for such cap.

## AUDIT COMMITTEE

The Audit Committee has reviewed the results of the Group for the three months ended 31 March 2026, including the accounting principles adopted by the Group, with the Company's management. As at the date of this announcement, the Audit Committee comprises three members, namely Mr. LAU Siu Ki (chairperson), Professor WANG Yijiang and Mr. HUI Chi Kin Max, all being independent non-executive Directors.

## DEFINITIONS

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

“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors;
“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 Hong Kong Stock Exchange (stock code: 01070);
“Director(s)”	the director(s) of the Company;
“Emerging Market”	regions including Asia-Pacific (excluding the PRC), Latin America, Middle East and Africa;

“Group”	collectively the Company and its subsidiaries;
“GW”	gigawatt, equivalent to one billion watts, a unit of power;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKAS(s)”	Hong Kong Accounting Standard(s);
“HKFRS(s)”	HKFRS Accounting Standards;
“HKICPA”	Hong Kong Institute of Certified Public Accountants;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Companies Ordinance”	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“LED”	light emitting diode;
“Listing Rules”	the rules governing the listing of securities on the Hong Kong Stock Exchange;
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, references in this announcement to the “PRC” and “China” do not apply to Hong Kong, Macau Special Administrative Region and Taiwan, China;
“Share(s)”	share(s) of the Company;
“Share Award Scheme”	the share award scheme adopted by the Company on 3 November 2023;
“Shareholder(s)”	shareholder(s) of the Company;
“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;

“TCL Industries 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;
“T.C.L. Industries (H.K.)”	T.C.L. Industries Holdings (H.K.) Limited, a company incorporated in Hong Kong with limited liability, an immediate controlling Shareholder, and a wholly-owned subsidiary of TCL Industries Holdings;
“TV”	television(s);
“UI”	user interface; and
“%”	per cent.

On behalf of the Board  
**TCL Electronics Holdings Limited**  
**DU Juan**  
*Chairperson*

Hong Kong, 13 May 2026

*For the purposes of this announcement, the applicable exchange rates used for currency translation are for illustrative purposes and do not constitute representations that any amount in foreign currency or HK\$ has been, could have been or may be converted at such rates.*

*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 Ms. DU Juan, Mr. ZHANG Shaoyong, Mr. PENG Pan and Mr. SUN Li as executive Directors and Professor WANG Yijiang, Mr. LAU Siu Ki and Mr. HUI Chi Kin Max as independent non-executive Directors.*