

**Sales Volume of TCL Electronics' Smart Screens
Reached 11.27 Million Sets in the First Half of 2021,
With a YoY Growth 11.8%**

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Sales Volume of Smart Screens from Overseas Markets Increased 22.2% YoY

(July 20, 2021, Hong Kong) **TCL Electronics Holdings Limited** (“TCL Electronics” or “the Company”, HKSE stock code: 01070.HK) today announced the sales volume of its TCL smart screens in the first half of 2021 (January to June). The global sales volume of TCL smart screens increased by 11.8% year-on-year to 11.27 million sets in the first half of 2021, maintaining steady growth. Despite the ongoing pandemic, the sales volume of TCL smart screens from overseas markets increased by 22.2% year-on-year, demonstrating solid results of the Company's international expansion.

Rising cost in the supply chain as a result of shortage in chips, panels and raw materials presented major challenges to the smart display industry in the first half of the year. Against this backdrop, the Company leveraged its core competencies in global manufacturing capacity and the vertically integrated industrial chain, together with continuous technological innovation, to improve its product competitiveness and brand awareness. The Company continued to optimize its product mix, with the proportion of smart TV by sales volume increasing by 1.5 percentage points to 91.6% and the proportion of 4K smart screen by sales volume maintaining at a relatively high level of 53.2% for the first half of the year. Meanwhile, the Company focused on high-end display technologies and product development. In the first half of the year, the proportion of quantum dot (“QLED”) smart screen by sales volume increased by 3.1 percentage points to 5.0%, with growth mainly originating from overseas markets.

In overseas markets, the sales volume of TCL smart screens increased by 22.2% year-on-year for the first half of 2021. In terms of regional markets, the sales volume in North American markets grew by 3.8% year-on-year. European markets took over as the growth engine with a remarkable year-on-year surge of 83.2%. Specifically, the year-on-year growth in Spain, Italy and France increased by 123.4%, 97.6% and 62.1%, respectively. Emerging markets also achieved stable growth with sales volume up 27.0% year-on-year. Within emerging markets, year-on-year growth in Japan, Russia, Brazil, Pakistan and Vietnam reached 221.7%, 161.5%, 37.6%, 36.7% and 29.0%, respectively.

In the PRC market, affected by further increase in screen cost and higher retail price, the overall performance of the TV retail market was not as good as last year. As a result, the sales volume

of the Company’s smart screens dropped 15.8% year-on-year in the first half of 2021. However, high-end products saw huge breakthrough, as the sales volume of QLED smart screens surging by 61.8% year-on-year. During the 618 Shopping Festival, the total sales turnover of TCL’s QLED smart screen was the highest in industry. In addition, TCL X10 8K QLED TV won the "2021 Best Display Product" award from the Society for Information Display (“SID”) for its new display technologies, such as Mini LED, and robust product features, becoming the only smart screen product in China to receive this honor. In the future, the Company will continue to optimize its product mix and sales channel structure in the PRC market while enhancing its market competitiveness.

Sales volume of smart mobile, connective devices and services continued to grow steadily. In the first half of 2021, total sales volume reached 14.7 million, with a year-on-year increase of 37.7%.

Servicing global customers through advanced smart display technologies, TCL Electronics grew its market share for three consecutive years at an above-trend rate, with the sales volume of TCL smart screens ranking third worldwide last year. In the second half of 2021, challenges from the pandemic and fluctuation of the supply chain may continue to affect the industry. The Company is working proactively to tackle these challenges and will continue to increase investment in R&D and product innovation, with a focus on artificial intelligence and high-end display technologies such as Mini LEDs, 8K and quantum dots. In addition, the Company will continue to grow the global market share of TCL brand smart screens and develop its global internet business, while further propelling its “AI x IoT” strategy, in order to become a leading global intelligent technology company and create greater value for shareholders.

First half of 2021 (Unaudited)

	2021 H1	2020 H1	Y-o-Y Change
TCL Smart Screen sales volume	11,267,134	10,079,414	+11.8%
– PRC Market	-	-	-15.8%
– Overseas Markets	-	-	+22.2%
Proportion of TCL Smart TV (%)	91.6%	90.1%	+1.5 percentage points
Proportion of TCL 4K Smart Screen (%)	53.2%	53.6%	-0.4 percentage points

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About TCL Electronics

Headquartered in Shenzhen, China, TCL Electronics Holdings Limited (stock code: 01070.HK, incorporated in the Cayman Islands with limited liability) is engaged in the research and development, manufacturing and distribution of consumer electronic products such as smart TVs

and mobile communication devices and independently developed home Internet services. TCL Electronics has emerged as a world-leading and China's only diversified consumer electronics platform with advantages of vertically integrated industrial chain. With smart display as the core of the strategy and 5G and "AI x IoT" as technology drivers, TCL Electronics provides users with a smart and healthy life with household, mobile and commercial scenarios and is devoted to becoming a world-leading smart technology company. According to the latest report from Omdia, the market share of global brand smart TV of TCL Electronics in 2020 ranked Top 3 in the world. With leading positions in the domestic and overseas markets, the MAU and ARPU of TCL Electronics' home Internet operation platform ("Falcon Network Technology") both ranked among the top in the PRC market. TCL Electronics has also emerged as the industry's only Chinese company with sustainable and large-scale revenue in the overseas Internet services. TCL Electronics is included in the eligible shares list of the Shenzhen-Hong Kong Stock Connect Scheme, Hang Seng Stock Connect Hong Kong Index, Hang Seng Composite MidCap & SmallCap Index and Hang Seng Corporate Sustainability Benchmark Index. For more information, please visit the website of investor relations of TCL Electronics: <http://electronics.tcl.com>

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