

TCL Holdings Intends to Increase Shareholding of TCL Electronics Up to 20 Million Shares

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TCL Electronics Plans to Acquire 20 Million Shares under Share Award Scheme, with Full Confidence in the Company's Prospects

(9 August 2021, Hong Kong) - On the evening of 8 August 2021, TCL Electronics Holdings Limited ("TCL Electronics" or "the Company", stock code: 01070.HK) was pleased to announce that TCL Industries Holdings Co., Ltd. ("TCL Holdings"), the controlling shareholder of the Company plans to acquire, through T.C.L. Industries Holdings (H.K.) Limited, up to 20,000,000 shares of the Company in the coming 12 months in the open market.

On the same day, the Company also announced that the management of the Company plans to instruct the Trustee of the Share Award Scheme to acquire in accordance with the Scheme Rules up to 20,000,000 shares of the Company as Restricted Shares under the Share Award Scheme in the coming 12 months in the open market, which would be held by the Trustee on trust for the benefit of the participants of the Share Award Scheme in accordance with the Scheme Rules, which would enable the Company to further enhance the motivation and morale of its employees so as to make sustainable contributions to the Company's development.

Both plans are indicative of the sustained and sound growth of the Company's business and the controlling shareholder and management's full confidence in the current and future prospects as well as the long-term sustainable growth and value returns of the Company.

On 6 August 2021, TCL Electronics announced its 2021 interim results. In the first half of 2021, the Company's revenue from continuing operations reached HK\$34.93 billion, increasing by 103.7% year-on-year; profit attributable to owners of the parent from continuing operations reached HK\$1.04 billion, a year-on-year increase of 122.9%; by focusing on the development of its core business and benefitting from its active optimisation in both supply chain and channel deployment as well as cost reduction and efficiency enhancement, the Company's expense ratio decreased by 1.2 percentage points year-on-year to 14.2%. In the first half of 2021, the Company achieved solid and rapid growth in its global smart screen sales and Internet business, with the market share by shipment of TCL smart screen firmly ranking top 3 in the global TV market and

the Company's global Internet business revenue reaching HK\$721 million, an increase of 38.3% year-on-year.

TCL Electronics has been attaching great importance to leading in technology and R&D on new products. As a pioneer of Mini LED displays, the Company became the first in the world to launch Mini LED backlit TV as well as the first in the industry to achieve large-scale production. The Company adheres to mid-to-high-end product lines. This year, it has successively launched a number of smart products that are leading the market, including TCL X12 8K Mini LED starlight smart screen. The Company is devoted to diversifying into new businesses such as smart commercial display and smart home, persistently carrying out the current "AI x IoT" development strategy, and continuously enriching smart product categories. In July this year, the Company launched the NXTHUB V60, the first large screen for video conferencing on Android with DingTalk in China. In unison with the ecosystem, the Company is gearing up in the interactive tablet market by seizing the opportunity of conference room virtualization. Additionally, TCL Breeva A2 and Breeva A5 Air Purifiers, the Company's new smart home products to be launched overseas, have both won the "Red Dot Award: Product Design 2021".

Looking forward, TCL Electronics, by holding onto the current "AI x IoT" development strategy, developing its diversified businesses and leveraging on its well-established global production capacity and unique advantage of vertically integrated industrial chain, will further expand its business scale and enhance its profitability, become a global leading smart technology company with a variety of product lines serving all scenarios and deliver long-term sustainable growth and value returns.

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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 R&D, 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 Sigmaintell, the market share of global brand smart TV of TCL Electronics in the first half of 2021 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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