



TCL Electronics (01070.HK) Sells 23.58 Million Smart Screens in 2021

Sales Volume of Mid-To-High-End Smart Screen Grow Over 50%

The “Small Home Ecosystem” Strategy with Full Category Development Pays Dividend

(January 24, 2022, Hong Kong) – **TCL Electronics Holdings Co., Ltd.** ("TCL Electronics" or "Company", 01070.HK) today announced the sales volume of its TCL smart screen for the full year of 2021. In 2021, the global sales volume of TCL smart screen totaled 23.58 million units. As a result of edge in Mini LED technology, yearly sales volume increased significantly amongst mid-to-high-end smart screens with the sales volume of quantum dot and Mini LED smart screen increasing 53.8% and 50.5% year-on-year, respectively.

Driven by innovation in display technology, high-end large-screen TVs represented by next-generation display technologies such as Mini LED are increasingly favored by consumers. According to Sigmaintell's report, the global Mini LED backlight TV shipments are estimated to exceed three million units in 2022, with a market penetration rate reaching 1.4%. TCL Electronics has benefited from the opportunity presented by display technology upgrades and actively adjusted its product mix based on the research and development of high-end display technology. In 2021, the proportion in terms of sales volume of the Company's smart TV increased by 1.4 percentage points to 92.7%, and the quantum dot smart screen by 1.9 percentage points to 5.3%. The proportion of TCL Mini LED smart screen in terms of sales volume also increased by 0.2 percentage points.

TCL Electronics has continued to launch new Mini LED smart screen products, which are highly recognized by the industry and consumers. During the recent Consumer Electronics Show (CES) 2022, the Company showcased a variety of new Mini LED smart screen models, including the world's thinnest 85-inch 8K Mini LED smart screen at just 3.9mm, and the first 144Hz Mini LED gaming display. In addition, TCL OD Zero Mini LED 8K TV X925 PRO won both CES 2022 "Best of Innovation Award" and Global Top Brands' "Innovation Award of Mini LED Display Technology".

It is worth noting that sales volume of TCL smart screen in overseas markets continued to grow steadily with a growth rate recorded 7.6% year-on-year. In terms of sub-regional markets, the European markets

remained a key growth engine. Sales volume of TCL smart screen in Europe during the fourth quarter of 2021 alone increased by 61.2% year-on-year, while annual sales volume rose by 47.6%, driven by Italy, Poland, and Benelux increasing by 91.6%, 40.7% and 45.5%, respectively. TCL smart screen sales volume in emerging markets¹ in 2021 recorded a yearly increase of 10.5%, with Japan, Russia, Vietnam and Brazil increasing by 82.6%, 81.2%, 37.4% and 16.1%, respectively. In the North American markets, demand for smart screens declined on a year-to-year basis after the unexpected surge in the North American markets during the pandemic-driven "home economy" in 2020. With a high base comparison, TCL smart screens annual sales in the North America declined by 6.2% in 2021. However, sales volume compared with those of 2019 still showed a 17.6% increase, with TCL smart screen sales performing well over the past Black Friday. As a result of Covid-19 crowd control and scattered promotions made by retail channels, the consumption stimulus of Black Friday 2021 was reflected throughout the month of November. In November, retail sales volume of TCL smart screen was better than the industry average, and its market share increased by nearly 4 percentage points year-on-year, ranking second for single month sales in the United States, according to NPD report.

As for the PRC market, the industry overall showed a trend of falling volume and rising sales. Due to the impact on the industry, sales volume of TCL smart screen declined by 24.4% in 2021. Consumer demand for mid-to-high-end smart screen products grew sharply despite the overall decline in sales, with the sales volume of TCL quantum dot smart screen in the PRC market increasing by 44.6% in 2021. During the "Double Eleven" shopping festival of 2021, more than 30,000 units TCL QLED smart screens were sold. The sales volume is a 10-fold increase year-on-year, both sales volume and sales revenue ranked top among all channels. Similarly, TCL Electronics was also crowned double champion for both sales volume and sales revenue for the 98-inch IMAX Enhanced smart screen and Mini LED smart screen for online and offline channels.

Sales of smart mobile, connective devices and services increased, accounting for 30.56 million sets in total in 2021, up 11.3% year-on-year.

In addition to smart screens, TCL Electronics also launched various smart products such as AR/XR smart glasses and TCL education tablets in 2021, which gained wide attention and proved that the full category development strategy was effective. Moving forward, TCL Electronics will adhere to the development strategy of globalization and technology-driven, strengthening the competitiveness of its core business,

expanding in the category of smart technology products with the advantages of perfect global channel layout and unique, vertically integrated industry chain in order to create a more comfortable and convenient "Smart Home Ecosystem" for consumers, while striving to become a smart technology company with full category development.

Year of 2021 (unaudited)

	2021	2020	YoY Change
Sales volume of TCL smart screen	23,579,540	23,927,464	-1.5%
— PRC market	—	—	-24.4%
— Overseas markets	—	—	+7.6%
Percentage of TCL Smart TV (%)	92.7%	91.3%	+1.4 percentage points
Percentage of Quantum Dot Smart Screen (%)	5.3%	3.4%	+1.9percentage points

¹ Emerging markets include Asia Pacific, Latin America, Middle East Asia and other regions

- End -

About TCL Electronics

TCL Electronics Holdings Limited (stock code: 01070.HK, incorporated in the Cayman Islands with limited liability) was listed on the mainboard of the Hong Kong Stock Exchange in November 1999. The Company is mainly engaged in R&D, manufacturing, and sales of smart screen, smart mobile and connected device, smart commercial display, smart home products and other diversified IoT products, as well as independently developed home Internet services. TCL Electronics is the only diversified consumer electronics company within the industry in China with vertically integrated supply chain. Focusing on the smart display business, supported by 5G technology and "AI x IoT" strategy, TCL Electronics is committed to providing a smart and healthy life in households, mobile and commercial scenarios, and dedicated to becoming a global leading smart technology company. TCL Electronics is part of the Shenzhen-Hong Kong Stock Connect program and is included in the Hang Seng Stock Connect Hong Kong Index, the Hang Seng Composite MidCap & SmallCap Index, and the Hang Seng Corporate Sustainability Benchmark Index. Every year since 2018, the Company has received an A rating for ESG from Hang Seng Indexes Company Limited. For more information, please visit the website of investor relations of TCL Electronics: <http://electronics.tcl.com>, or TCL Electronics Investor Relations WeChat Page.



Media Contacts:

TCL Electronics

Email: hk.ir@tcl.com

Citigate Dewe Rogerson

Linda Pui

Email: linda.pui@citigatedewerogerson.com