

TCLE (01070.HK) Announces Positive Profit Alert Expects Adjusted Profit attributable to Owners of the Parent in 2024 to Grow by Approximately 62% to 112% YoY

(17 February 2025, Hong Kong) -- **TCL Electronics Holdings Limited** (“**TCL Electronics**” or the “**Company**”, **01070.HK**) published a positive profit announcement. Based on a preliminary review of the unaudited management accounts of the Company for the Year 2024 and the information currently available to the Board, it is expected that the Company’s adjusted profit attributable to owners of the parent¹ in the Year 2024 will be in the range of approximately HK\$1.3 billion to HK\$1.7 billion, representing an increase of approximately 62% to 112% as compared with the corresponding period in 2023.

The expected significant increase in adjusted profit attributable to owners of the parent is mainly attributable to the following three factors:

- 1) Guided by the strategic vision of “Lead with Brand Value, Excel in Global Efficiency, Drive with Technology, Thrive on Global Vitality”, TCL Electronics has achieved remarkable results in its global capacity building and organisational restructuring. The Company has laid a solid foundation for sustained growth through optimising its product mix, achieving breakthroughs in marketing and retailing, efficient global operation and building a vibrant organisation.
- 2) The Company achieved sustained growth in the global market share and revenue scale of its core businesses. The Company has strengthened its image as a multinational technology company with a premium brand, which has contributed to the continuous enhancement of its brand index, and breakthroughs in retail sales channel; through strengthening the development of cutting-edge technologies, the Company has built up its technological selling points and advantages in its products, thereby achieving continuous optimisation of its product structure. In particular, the proportion of high-end and large-screen products in the core display business increased significantly, and the revenue of TCL’s TV business hit a new record high; the innovative business maintained a high growth trend, with the scale and competitiveness of all-category marketing and photovoltaic businesses continuing to rapidly enhance, which further contributed to the Company’s operating results.

¹ Adjusted profit attributable to owners of the parent is a non-HKFRS financial measure adopted by the Company to supplement the Company’s consolidated results prepared and presented in accordance with HKFRS issued by the Hong Kong Institute of Certified Public Accountants as an additional, but not a substitute, financial measure, which is defined by the Company 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) income tax effect; The management of the Company believes that the adjusted profit attributable to owners of the parent provides useful supplementary information to investors in assessing the results of the Company’s core businesses by excluding the impact of certain non-cash items, investments and non-current assets transactions. However, such definition does not have a standardised meaning prescribed by HKFRS and therefore may differ from similar terminology used by other companies, and may not be comparable to similar measures presented 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.

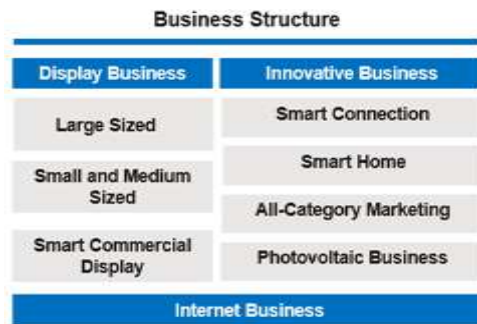
- 3) The Company has continued to create optimal cost effectiveness and efficiency advantage by improving its global logistics resources and warehousing network through global localisation of industrial capacity; the Company has driven improvement in cost structure and continued to exercise stringent control over various operating and administrative expenses; the Company has been steadily improving its operational turnaround efficiency by stepping up capacity building in key areas, continuing to push forward digital transformation and implementing quality and efficiency enhancement measures while achieving economies of scale. The Company's overall expense ratio for the Year 2024 has been effectively reduced.

Looking ahead to 2025, TCL Electronics will place strategic emphasis on fortifying its product excellence. This will encompass substantial enhancements to its global product planning capabilities and a significant increase in investment in cutting-edge technologies, particularly in the field of artificial intelligence (AI). In parallel, the Company will continue to advance its globalisation strategy by fostering multi-centre operations across the globe and cultivating a smart, eco-friendly supply chain that places consumers and clients at its core. By bolstering its global operational prowess, TCL Electronics strives to establish itself as a preeminent smart device enterprise with a robust and genuinely global presence.

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About TCL Electronics

TCL Electronics Holdings Limited (01070.HK, incorporated in the Cayman Islands with limited liability) was listed on the mainboard of the Hong Kong Stock Exchange in November 1999. It is engaged in display business, innovative business and internet business. TCL Electronics actively transforms and innovates under the strategy of “Lead with Brand Value, Excel in Global Efficiency, Drive with Technology, Thrive on Global Vitality”. Focusing on the mid-to-high-end markets around the world, the Company strives to consolidate the “Intelligent IoT Ecosystem” strategy and is committed to providing users with an all-scenario smart and healthy life while developing into a world-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. Besides, it has received Hang Seng Index’s ESG rating of A for consecutive years since 2018.



For more information, please visit the investor relations web page of TCL Electronics at <http://electronics.tcl.com> or follow the WeChat Official Page of TCL Electronics investor relations by scanning the QR code below.

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