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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)

CONNECTED TRANSACTIONS

(1) ESTABLISHMENT OF INVESTMENT FUND

AND

(2) DISPOSAL OF A SUBSIDIARY

ESTABLISHMENT OF INVESTMENT FUND

The Board is pleased to announce that on 17 December 2021 (after trading hours), the Investment Cooperation Framework Agreement has been entered into between the Company and TCL Holdings in respect of, among others, the establishment of the Investment Fund in the form of limited partnership and the subscription of interests therein. Pursuant to the Investment Cooperation Framework Agreement, the total capital commitment to the Investment Fund is RMB1,000.00 million (equivalent to approximately HK\$1,222.50 million), of which RMB199.90 million will be contributed by Electronics Nominee Company(ies) as limited partner(s) and RMB800.10 million will be contributed by Holdings Nominee Company(ies) as general partner(s).

DISPOSAL OF A SUBSIDIARY

On 17 December 2021 (after trading hours), King Electrical, an indirect subsidiary of the Company, entered into the Equity Transfer Agreement with TCL Holdings, pursuant to which King Electrical has agreed to sell, and TCL Holdings has agreed to purchase, the Equity Interest in the Target Company at the consideration of approximately RMB10.40 million (equivalent to approximately HK\$12.71 million). After completion of the Disposal, the Target Company will cease to be a subsidiary of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, 1,260,358,288 Shares, representing approximately 50.82% of the total number of issued Shares, are held by T.C.L. Industries (H.K.), which in turn is held as to 100% by TCL Holdings. Accordingly, T.C.L. Industries (H.K.) is a substantial shareholder of the Company and a connected person of the Company under Chapter 14A of the Listing Rules. As TCL Holdings is the holding company of T.C.L. Industries (H.K.), it is an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Agreements therefore constitute connected transactions of the Company.

As (i) one or more of the applicable percentage ratios in relation to the total capital commitment to the Investment Fund by Electronics Nominee Company(ies) under the Investment Cooperation Framework Agreement exceed 0.1% but all are less than 5%; and (ii) one or more of the applicable percentage ratios in relation to the Disposal under the Equity Transfer Agreement exceed 0.1% but all are less than 5%, the entering into of the Agreements and the respective connected transactions contemplated thereunder are exempted from the circular (including independent financial advice) and Shareholders' approval under Rule 14A.76(2)(a) of the Listing Rules but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

(1) ESTABLISHMENT OF INVESTMENT FUND

The Board is pleased to announce that on 17 December 2021 (after trading hours), the Investment Cooperation Framework Agreement has been entered into between the Company and TCL Holdings in respect of, among others, the establishment of the Investment Fund in the form of limited partnership and the subscription of interests therein. Pursuant to the Investment Cooperation Framework Agreement, the total capital commitment to the Investment Fund is RMB1,000.00 million (equivalent to approximately HK\$1,222.50 million), of which RMB199.90 million will be contributed by Electronics Nominee Company(ies) as limited partner(s) and RMB800.10 million will be contributed by Holdings Nominee Company(ies) as general partner(s).

Investment Cooperation Framework Agreement

The principal terms of the Investment Cooperation Framework Agreement are summarised below:

Date: 17 December 2021 (after trading hours)

Parties: (i) The Company; and
(ii) TCL Holdings.

Establishment of Investment Fund:

Electronics Nominee Company(ies) on the one part and Holdings Nominee Company(ies) on the second part shall establish the Investment Fund in the PRC in the form of limited partnership and enter into the Limited Partnership Agreement in the form as stipulated in the Investment Cooperation Framework Agreement within 60 days of entering into the Investment Cooperation Framework Agreement.

Scope of business and purpose of the Investment Fund:

The Investment Fund will be principally engaged in the business of equity investment in the fields of core emerging and frontier technology which will provide synergistic effect to the respective businesses of the Group and TCL Holdings group, including but not limited to upstream software and hardware core technology suppliers, smart innovative hardware business, smart home related business, cross-border e-commerce business, augmented reality, virtual reality and metaverse business, new energy business, carbon neutral business and smart commercial scenario related business.

Capital commitment:

The registered capital of the Investment Fund shall be RMB1,000.00 million (equivalent to approximately HK\$1,222.50 million), which shall be contributed in cash by the parties in the following proportion:

Partner	Capital contribution	Percentage
Electronics Nominee Company(ies) (as limited partner(s))	in aggregate RMB199.90 million (equivalent to approximately HK\$244.38 million)	19.99%
Holdings Nominee Company(ies) (as general partner(s))	in aggregate RMB800.10 million (equivalent to approximately HK\$978.12 million)	80.01%

Payment terms:

The investment committee of the Investment Fund shall have the power to determine the payment schedule of the capital commitment in accordance with needs of the investment projects or needs of the operation of the Investment Fund. The executive partner shall issue capital contribution notices to the partners at least 15 working days (or such other period mutually agreed by all partners) in advance. Each partner shall pay the specified amount to the Investment Fund in such manner and within such designated period specified in the capital contribution notice and in any event, the capital commitment shall be contributed by each of the partners in full on or before the deadline prescribed under applicable laws and regulations in the PRC (if any).

The Group intends to fund the capital contribution to be committed by Electronics Nominee Company(ies) under the Investment Cooperation Framework Agreement with its internal resources.

The size of the Investment Fund and the capital contribution of each of Electronics Nominee Company(ies) and Holdings Nominee Company(ies) are determined after arm's length negotiations between them with reference to the anticipated capital requirements of the Investment Fund.

Limited Partnership Agreement

The principal terms of the Limited Partnership Agreement are summarised below:

Date: To be entered into within 60 days of entering into the Investment Cooperation Framework Agreement.

Parties:

- (i) Electronics Nominee Company(ies) (as limited partner(s)); and
- (ii) Holdings Nominee Company(ies) (as general partner(s)).

Term of the Investment Fund: There shall be no fixed term for the Investment Fund.

Management and operation of the Investment Fund: The general partner(s) of the Investment Fund shall be responsible for the affairs in relation to the Investment Fund and the Limited Partnership Agreement, including but not limited to change of business scope, dealing with immovable assets of the Investment Fund, transfer of properties of the Investment Fund, provision of guarantee, hiring of managing staff and change of partners.

Except for certain acts specified in the Limited Partnership Agreement (or otherwise permitted under applicable laws), including but not limited to the determination of admission and withdrawal of partners and making recommendations to the operation of the Investment Fund, the limited partner(s) shall not take part in or interfere with the management of the Investment Fund nor represent or hold out to represent the Investment Fund to external parties.

The general partner(s) of the Investment Fund shall collectively appoint a general partner as an executive partner to be responsible for the execution of affairs in relation to the Investment Fund and representing the Investment Fund to external parties, including but not limited to daily management and operation of the Investment Fund, execution of decisions made by the investment committee of the Investment Fund, entering into agreements on behalf of the Investment Fund, establishing internal management mechanism and regulations and carrying out other matters as authorised by all partners.

The Investment Fund shall establish an investment committee, which shall be the sole investment decision-making body of the Investment Fund and shall be responsible for, among others, evaluating and approving the entering into, withdrawal from or variation of investment projects or agreements by the Investment Fund. All members of the investment committee shall be designated by the general partner(s) collectively.

Profit and loss sharing: Unless otherwise determined by the general partner(s), at such time as determined by the general partner(s) taking into account the business performance of the Investment Fund, the profit and loss of the Investment Fund shall be apportioned among all partners in proportion to their respective committed capital contribution in the Investment Fund. For the avoidance of doubt, any new partner which joins the Investment Fund is not entitled to any profit for the financial years prior to its becoming a partner of the Investment Fund.

The liability of limited partner(s) of the Investment Fund is limited to their respective committed contributions. The general partner(s) shall bear joint and several unlimited liability for the liability of the Investment Fund.

Transfer of interests in the Investment Fund:

Transfer of interests in the Investment Fund by limited partner(s) (other than transfer of interests to its Affiliate(s) or to other partner(s)) shall be subject to the approval of all general partner(s). If the general partner(s) consent(s) to the transfer, other partners of the Investment Fund have right of first refusal under the same terms.

Any general partner is only allowed to transfer interests in the Investment Fund with the consent of limited partner(s) who in aggregate own(s) more than half of the equity interest owned by all limited partner(s) in the Investment Fund, except for transfer to its Affiliate(s) or to other partner(s) in which case no consent from the limited partner(s) is required.

Dissolution and liquidation of the Investment Fund:

The Investment Fund shall be dissolved and liquidated upon the occurrence of any of the following events:

- (i) the expiry of the term of the Investment Fund as stipulated under the Limited Partnership Agreement, if any, provided that the partners have decided not to continue with the operation of the Investment Fund;
- (ii) a resolution to dissolve the Investment Fund is passed by all partners;
- (iii) the number of partners is below the statutorily prescribed minimum for a period of 30 days or more;
- (iv) the objectives of partnership stipulated under the Limited Partnership Agreement have been fully achieved or can no longer be achieved;
- (v) the business licence of the Investment Fund is revoked, or the Investment Fund is ordered to be closed or de-registered under applicable laws; and
- (vi) other reasons for dissolution as prescribed by laws and regulations.

For the avoidance of doubt, as at the date of this announcement, the Investment Fund has not yet been established and thus has not yet commenced operation. As Electronics Nominee Company(ies) will hold only 19.99% of the total capital contribution to the Investment Fund, the Investment Fund will not become a subsidiary of Electronics Nominee Company(ies), and hence will not be consolidated in the Group's consolidated financial statements.

(2) DISPOSAL OF A SUBSIDIARY

On 17 December 2021 (after trading hours), King Electrical, an indirect subsidiary of the Company, entered into the Equity Transfer Agreement with TCL Holdings, pursuant to which King Electrical has agreed to sell, and TCL Holdings has agreed to purchase, the Equity Interest in the Target Company at the consideration of approximately RMB10.40 million (equivalent to approximately HK\$12.71 million). After completion of the Disposal, the Group will no longer hold any equity interest in the Target Company and the Target Company will cease to be a subsidiary of the Company.

The principal terms of the Equity Transfer Agreement are summarised below:

Date:	17 December 2021 (after trading hours)
Parties:	(i) King Electrical (as vendor); and (ii) TCL Holdings (as purchaser).
Subject matter:	Pursuant to the Equity Transfer Agreement, King Electrical has agreed to sell, and TCL Holdings has agreed to purchase, the Equity Interest, being the entire equity interest in the Target Company.
Consideration:	The consideration for the Disposal shall be approximately RMB10.40 million (equivalent to approximately HK\$12.71 million).
Payment terms:	The entire consideration shall be paid in cash in one lump sum to King Electrical within 30 days of the entering into of the Equity Transfer Agreement.
Basis of price determination:	The consideration was determined upon arm's length negotiations between the parties to the Equity Transfer Agreement with reference to the net asset value of the Equity Interest.

**Transfer of Equity
Interest and
completion:**

The Disposal shall be duly completed upon the payment of the consideration, and the vendor shall co-operate with the purchaser and the Target Company in the relevant equity transfer procedures. Upon completion, all rights and obligations as the shareholder of the Target Company shall be transferred to TCL Holdings.

For the avoidance of doubt, completion of the respective transactions contemplated under the Investment Cooperation Framework Agreement and the Equity Transfer Agreement are independent and are not inter-conditional upon each other.

INFORMATION ON THE TARGET COMPANY

General Information of the Target Company

The Target Company is a limited liability company established in the PRC by the Group in May 2019 with an initial registered capital of RMB200.00 million (equivalent to approximately HK\$244.50 million) of which RMB10.05 million has been paid as at the date of this announcement. The Target Company is owned as to 100% by King Electrical as at the date of this announcement. The Target Company has not commenced business since its establishment and up to the date of this announcement.

Financial Information of the Target Company

Set out below is the financial information of the Target Company for the year ended 31 December 2020 and 31 December 2019 as extracted from the Target Company's unaudited financial statements prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended	
	31 December	31 December
	2020	2019
	<i>RMB</i>	<i>RMB</i>
Revenue	Nil	Nil
Net profit/(loss) before tax	200,928	(13,751)
Net profit/(loss) after tax	191,569	(13,751)

	Balance as at	
	31 December	31 December
	2020	2019
	<i>RMB</i>	<i>RMB</i>
Total assets	10,236,653	10,036,663
Net assets	10,227,818	10,036,249

Whilst the Target Company has not commenced business, its net loss in 2019 was due to administrative expenses incurred by the Target Company, and its net profit in 2020 was due to interest income arising from internal treasury management activities. According to the unaudited management accounts of the Target Company for the eleven months ended 30 November 2021, the unaudited total net assets of the Target Company as at 30 November 2021 were approximately RMB10.40 million.

FINANCIAL EFFECTS AND USE OF PROCEEDS OF THE DISPOSAL

After completion of the Disposal, the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Company will no longer be consolidated into the Company's consolidated financial statements.

As a result of the Disposal, the Group is expected to recognise a gain of approximately HK\$14,000 on completion of the Disposal, which is calculated on the basis of the difference between the total consideration of the Disposal of approximately RMB10.40 million (equivalent to approximately HK\$12.71 million) receivable by the Group and the carrying amount (i.e. total net assets) of the Equity Interest as at 30 November 2021. The actual amount of gain or loss as a result of the Disposal to be recorded by the Group will be subject to the review and final audit by the auditor of the Group. The Group expects to receive net proceeds of approximately RMB10.40 million (equivalent to approximately HK\$12.71 million) from the Disposal. The Group currently intends to use the proceeds from the Disposal as general working capital.

REASONS FOR AND BENEFITS OF THE AGREEMENTS

The Investment Cooperation Framework Agreement and the Limited Partnership Agreement

As disclosed above, the Investment Fund will be principally engaged in the business of equity investments in the fields of core emerging and frontier technology which will provide synergistic effect to the respective businesses of the Group and TCL Holdings group, including but not limited to upstream software and hardware core technology suppliers, smart innovative hardware business, smart home related business, cross-border e-commerce business, augmented reality, virtual reality and metaverse business, new energy business, carbon neutral business and smart commercial scenario related business. In view of the fierce market competition of the smart screen and home appliances industry, the establishment of the Investment Fund pursuant to the Investment Cooperation Framework Agreement is expected to provide a good platform for the Group to seek for new business opportunities, expand its scope of business, increase its influences within the industry and consolidate its foundation in the industry. It is anticipated that new business opportunities will strengthen the core business competitiveness of the Group and promote synergies between the relevant upstream and downstream industries.

The Investment Fund will also enable the Group to continue to seek for and focus on development of advanced technologies and new business fields, which is conducive to the advanced strategic planning of the Group. It will also broaden the horizon of the management and staff members of the Group, promote innovation and vitality, thereby forming positive interaction with existing strategies.

The Investment Fund will also allow the Group to diversify its business layout and hedge the risk of the Group arising out of strategic decision, business implementation and industry cycles, with a view to obtaining long-term sustainable financial gain outside the current scope of core business of the Group.

Equity Transfer Agreement

The Group established the Target Company in 2019. Since its incorporation and up to the date of this announcement, the Target Company has not carried on any business, hence the Group was considering the deregistration and closing down of the Target Company to minimise administrative costs of maintaining such shell company. On the other hand, TCL Holdings is desirous of acquiring a shell company as its investment vehicle in investment project, including but not limited to the establishment of the Investment Fund. Depending on the progress of the Disposal, the Target Company may or may not be a Holdings Nominee Company. For the avoidance of doubt, completion of the respective transactions contemplated under the Investment Cooperation Framework Agreement on the one hand and the Equity Transfer Agreement on the other hand are independent and are not inter-conditional upon each other. The Disposal, whose consideration is substantially the same as the net asset value of the Equity Interest, allows the Group to realise its investment in the Target Company without having to undergo burdensome and time-consuming deregistration and closing down procedures under the PRC law and incurring additional costs.

In light of the above reasons, the Directors (including the independent non-executive Directors) are of the view that the terms of the Agreements and the transactions contemplated thereunder, although not in the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms or better, and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, 1,260,358,288 Shares, representing approximately 50.82% of the total number of issued Shares, are held by T.C.L. Industries (H.K.), which in turn is held as to 100% by TCL Holdings. Accordingly, T.C.L. Industries (H.K.) is a substantial shareholder of the Company and a connected person of the Company under Chapter 14A of the Listing Rules. As TCL Holdings is the holding company of T.C.L. Industries (H.K.), it is an associate of T.C.L. Industries (H.K.) and therefore also a connected person of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the Agreements therefore constitute connected transactions of the Company.

As (i) one or more of the applicable percentage ratios in relation to the total capital commitment to the Investment Fund by Electronics Nominee Company(ies) under the Investment Cooperation Framework Agreement exceed 0.1% but all are less than 5%; and (ii) one or more of the applicable percentage ratios in relation to the Disposal under the Equity Transfer Agreement exceed 0.1% but all are less than 5%, the entering into of the Agreements and the respective connected transactions contemplated thereunder are exempted from the circular (including independent financial advice) and Shareholders' approval under Rule 14A.76(2)(a) of the Listing Rules but are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

Notwithstanding the respective interests and/or roles of certain Directors in TCL Holdings, in particular, as at the date of this announcement, (i) Ms. DU Juan is also a director and the general manager of TCL Holdings; (ii) Mr. WANG Cheng is also a director of TCL Holdings; (iii) Mr. HU Dien Chien is also the chief financial officer of TCL Holdings; and (iv) Mr. SUN Li is also the chief technology officer of TCL Holdings, as their respective direct or indirect interests in TCL Holdings are insignificant, none of them is considered as having a material interest in the transactions contemplated under the Agreements, therefore all Directors are entitled to vote on the Board resolutions for considering and approving the Agreements pursuant to the Articles.

GENERAL INFORMATION OF THE PARTIES

The Group is principally engaged in the research and development, manufacture and sale of consumer electronic products such as smart screens and mobile communication devices and independently develops home Internet services. The Group helps users to live a smart and healthy life covering household, mobile and commercial scenarios and is devoted to becoming a world-leading smart technology company with smart display as the core strategy and "AI x IoT" as technological driver. For more information on the Group, please visit its official website at <http://electronics.tcl.com> (the information that appears in this website does not form part of this announcement).

King Electrical is a company established under the laws of the PRC with limited liability and an indirect subsidiary of the Company. It is principally engaged in the manufacture and sale of smart screens.

TCL Holdings is an investment holding company with a diverse investment portfolio. Its investments are principally in the business of development, manufacture and distribution of audio/video products, electronic products, communication equipment, home appliances, provision of cloud video conferencing services, intelligent manufacturing solutions, solid waste dismantling and disposal, development and leasing of building and industrial park, supply chain finance, etc.. As at the date of this announcement, TCL Holdings, through its wholly-owned subsidiary T.C.L. Industries (H.K.), held approximately 50.82% of the issued Shares and is the ultimate controlling shareholder of the Company. As at the date of this announcement, the shareholding structure of TCL Holdings is as follows:

Shareholders	Approximate Shareholding
Ningbo Lida Zhihui Enterprise Management Partnership (Limited Partnership)* (寧波礪達致輝企業管理合夥企業(有限合夥))	33.33%
Ningbo Lida Zhiheng Enterprise Management Partnership (Limited Partnership)* (寧波礪達致恒企業管理合夥企業(有限合夥))	23.26%
Pan Mao (Shanghai) Investment Center (L.P.)* (磐茂(上海)投資中心(有限合夥))	18.60%
Huizhou State-owned Asset Management Co., Ltd.* (惠州市國有資產管理有限公司)	9.30%
Xiaomi Technology Co., Ltd.* (小米科技有限責任公司)	9.30%
Beijing Xinrunheng Equity Investment Partnership (L.P.)* (北京信潤恒股權投資合夥企業(有限合夥))	4.65%
Shenzhen Qifu Guolong Small and Medium Micro-Enterprise Equity Investment Fund Partnership (L.P.)* (深圳市啓賦國隆中小微企業股權投資基金合夥企業(有限合夥))	1.55%
Total (Note)	100.00%

Note:

The figures shown in the above table were subject to rounding adjustment, accordingly the total figure may not be an arithmetic aggregation of the figures preceding it.

DEFINITIONS

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

“Affiliates”	in respect of an entity/natural person, means (i) any other entity/natural person that directly or indirectly controls such entity/natural person, is controlled by such entity/natural person, or is under the control of another entity/natural person with such entity/natural person; (ii) any other entity/natural person with more than 50% equity interest in such entity/natural person; (iii) any other entity/natural person which directly or indirectly owns or holds more than 50% of the voting rights or other rights and interests of such entity/natural person; and (iv) the close relatives of such natural person, including spouses, parents, children, and siblings. “Control” refers to the right to directly or indirectly manage or influence the management and policies of such entity, whether through voting equity or through other means such as contracts. For the purpose of the Investment Cooperation Framework Agreement and Limited Partnership Agreement, the Affiliates of the Group shall not include TCL Holdings and its subsidiaries, whilst the Affiliates of TCL Holdings and its subsidiaries shall not include members of the Group;
“Agreements”	collectively the Investment Cooperation Framework Agreement and the Equity Transfer Agreement;
“Articles”	the articles of association of the Company as amended from time to time;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the Board of Directors of the Company;
“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 Stock Exchange (stock code: 01070);
“connected person(s)”	has the meanings ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

“Disposal”	the disposal of Equity Interest by King Electrical to TCL Holdings subject to and in accordance with the Equity Transfer Agreement;
“Electronics Nominee Company(ies)”	one or more subsidiary(ies) of the Company to be nominated by the Company pursuant to the Investment Cooperation Framework Agreement to enter into the Limited Partnership Agreement with Holdings Nominee Company(ies) and subscribe for interests in the Investment Fund subject to and in accordance with the Investment Cooperation Framework Agreement and the Limited Partnership Agreement;
“Equity Interest”	the entire equity interest in the Target Company;
“Equity Transfer Agreement”	the equity transfer agreement dated 17 December 2021 entered into between King Electrical and TCL Holdings;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Holdings Nominee Company(ies)”	one or more subsidiary(ies) of TCL Holdings to be nominated by TCL Holdings pursuant to the Investment Cooperation Framework Agreement to enter into the Limited Partnership Agreement with Electronics Nominee Company(ies) and subscribe for interests in the Investment Fund subject to and in accordance with the Investment Cooperation Framework Agreement and the Limited Partnership Agreement;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Investment Cooperation Framework Agreement”	the investment cooperation framework agreement dated 17 December 2021 entered into between the Company and TCL Holdings;
“Investment Fund”	a limited partnership to be established under the laws of the PRC pursuant to the Investment Cooperation Framework Agreement and the Limited Partnership Agreement;

“King Electrical”	TCL King Electrical Appliances (Huizhou) Company Limited* (TCL王牌電器(惠州)有限公司), a company established under the laws of the PRC with limited liability and an indirect subsidiary of the Company;
“Limited Partnership Agreement”	the limited partnership agreement to be entered into between Electronics Nominee Company(ies) and Holdings Nominee Company(ies) within 60 days of the entering into of the Investment Cooperation Framework Agreement pursuant to the Investment Cooperation Framework Agreement;
“Listing Rules”	the rules governing the listing of securities on the Stock Exchange;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this announcement;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	share(s) of the Company;
“Shareholder(s)”	holder(s) of share(s) of the Company;
“smart screen(s)”	mainly refers to smart television(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;
“Target Company”	TCL Hengshi Tianrui Investment (Ningbo) Co., Ltd.* (TCL恒時天瑞投資(寧波)有限公司), a company established under the laws of the PRC;

“TCL 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 Holdings; and
“%”	per cent.

On behalf of the Board
DU Juan
Chairperson

Hong Kong, 17 December 2021

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.*

For the purposes of this announcement, the exchange rate of RMB1.00 = HK\$1.2225 has been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in RMB or HK\$ has been, could have been or may be converted at such a rate.

As at the date of this announcement, the Board comprises Ms. DU Juan, Mr. YAN Xiaolin and Mr. HU Dien Chien as executive Directors, Mr. WANG Cheng, Mr. Albert Thomas DA ROSA, Junior, Mr. SUN Li and Mr. LI Yuhao as non-executive Directors and Mr. Robert Maarten WESTERHOF, Dr. TSENG Shieng-chang Carter, Professor WANG Yijiang and Mr. LAU Siu Ki as independent non-executive Directors.