



TCLE's (01070.HK) Global Shipment of Smart Screens Increases 14.2% YoY in Q1 2023

Achieving Double-Digit Growths in Both the PRC and International Markets

(20 April 2023, Hong Kong) -- TCL Electronics Holdings Limited ("TCL Electronics" or the "Company", 01070.HK) today announced its global shipment data for the first quarter of 2023. In the first quarter of 2023, the global shipment of TCL smart screens reached 5.55 million sets, registering a year-on-year increase of 14.2%. Benefitting from enhanced brand power, optimised domestic distribution network, and strategic efforts in key global markets, the PRC and international markets saw year-on-year shipment growths of 11.2% and 15.0%, respectively, demonstrating strong resilience in the smart screen business.

As consumers' demand for large-screen entertainment and high-quality audiovisual experiences continues to grow, the TV industry is witnessing significant trends towards larger screens and higher-end products, with large-sized TVs gradually becoming the mainstream choice for upgrades. In the first quarter of 2023, the shipment of TCL large-sized smart screens sustained robust growth momentum, and the shipment of 65-inch and above TCL smart screens rose by 81.2% year-on-year, and its corresponding proportion increased by 7.3 percentage points to 19.8%. Furthermore, the overall average size of TCL smart screens increased by 3.9 inches, highlighting the remarkable outcomes of product mix optimisation strategy.

Meanwhile, TCL Electronics values consumers' audiovisual experience and continues to invest in the R&D of Mini LED technology. In March this year, the Company launched the industry-leading "Dual 5000" flagship product - TCL QD-Mini LED Smart Screen X11G. The "Dual 5000" refers to 5,000 zones and 5,000 nits brightness. A higher number of zones results in a more precise distribution of independent light control areas, enabling more accurate light control and a higher contrast ratio in image quality. The TCL X11G incorporates an innovatively customised hexagonal square Mini LED chips and a birefringent surface lens, ensuring a more uniform surface light source, effectively controlling halo effects while achieving higher luminous efficiency and delivering delicate image quality. In the first quarter of 2023, TCL Mini LED smart screens maintained a global leading position, with its year-on-year increase in global shipment reaching

137.2% and its retail sales volume continuously ranking the first in the PRC market¹.

In the PRC market, adjustments to pandemic prevention policies at the beginning of 2023 have contributed to a rebound in consumer demand. Meanwhile, the Company's dual-brand strategy of "TCL+Falcon" drove a year-on-year growth of 11.2% for the shipment of TCL smart screens in the PRC market, with its retail sales revenue ranking second in the PRC market. At the same time, the proportion of the shipment of large-sized smart screens also increased constantly. In the first quarter of 2023, the shipment of 65-inch and above TCL smart screens rose by 36.2% year-on-year, and its corresponding proportion increased by 8.0 percentage points to 43.9%, while the corresponding proportion of the shipment of 75-inch and above TCL smart screens increased by 9.8 percentage points to 22.6% year-on-year. Furthermore, the average size of TCL smart screens in the PRC market increased by 3.4 inches year-on-year from 54.7 inches to 58.1 inches.

In international markets, the global economic recovery has stimulated demand for certain technology consumer products, with the shipment of TCL smart screen in the international market rising by 15.0% year-on-year in the first quarter of 2023. In terms of regional markets, emerging markets² experienced particularly notable year-on-year shipment growth, with an increase of 26.3%. Among these, Southeast Asian countries such as Indonesia, the Philippines, and Thailand registered shipment growth of 52.9%, 31.2% and 17.0%, respectively, with TCL smart screens securing the top spot for market share in terms of shipment in the Philippines, Myanmar, and Pakistan³. Shipment of TCL smart screen in the North American market also recovered, with an 8.8% year-on-year increase. In particular, the shipment saw a significant year-on-year increase of 14.4%, benefitting from the resurgence in demand and the breakthroughs in key channels in the US market, with its shipment ranking No.3⁴. The overall economic pressure in the European market led to a weaker demand, resulting in a slight year-on-year decline of 2.5% in the shipment of TCL smart screens. However, key countries such as France and Spain still maintained strong growth, with year-on-year increases of 35.8% and 116.9%, respectively.

¹ Data source: CMM omni-channel data, with the statistical period spanning from January to March, 2023.

² Emerging markets include countries in Asia-Pacific, Latin America, and the Middle East.

³ Data source: GfK, with the statistical period spanning from January to February 2023.

⁴ Data source: NPD, with the statistical period spanning from January to February 2023.

In addition to smart screens, TCL Electronics launched a variety of smart products in the first quarter of 2023 at the Mobile World Congress (MWC), including the NXTPAPER 11 smart tablet and the 40 series smartphones for the US market. Notably, the TCL NXTPAPER 11 won the "Best of MWC 2023". In the first quarter of 2023, total sales of small-and-medium-sized display products of TCL Electronics reached 2.86 million sets.

In terms of all-category marketing business, TCL Electronics has capitalised on its robust brand influence and global channel advantages to introduce smart products like air-conditioners, refrigerators, and washing machines to international markets. In February 2023, TCL refrigerator tapped into the niche market of embedded refrigerator, with the Company launching the ultra-thin, zero-embedded refrigerator T9, which features the most advanced bottom heat dissipation design, effectively solving the problem of traditional refrigerators requiring reserved space for heat dissipation on both sides. This creates an ultimate immersive embedded experience for consumers, enabling a seamless combination of cabinets and refrigerators.

Moving forward, TCL Electronics will continue to advance the development strategy of "Globalisation" and "Technological Transformation". By actively implementing an "intelligent IoT ecosystem" across all categories, the Group aims to provide consumers with a more comfortable living experience and is committed to becoming a leader in the global intelligent device market.

Shipment Data for the First Quarter of 2023 (Unaudited)

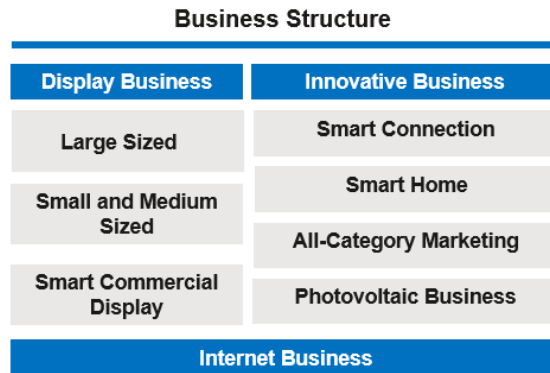
Unit: sets

Large-sized display – Shipment of TCL smart screens	5,547,838
- Proportion of TCL smart screens of 65 inches and above by Shipment	19.8%
- Proportion of TCL smart screens of 75 inches and above by shipment	7.1%
Small-and-medium-sized display -Total shipment	2,861,755

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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 “Value Led by Brand with Relative Cost Advantage”. 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 five 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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