

# **TCL** Industries Holdings Co., Ltd. **2024 Annual Report**



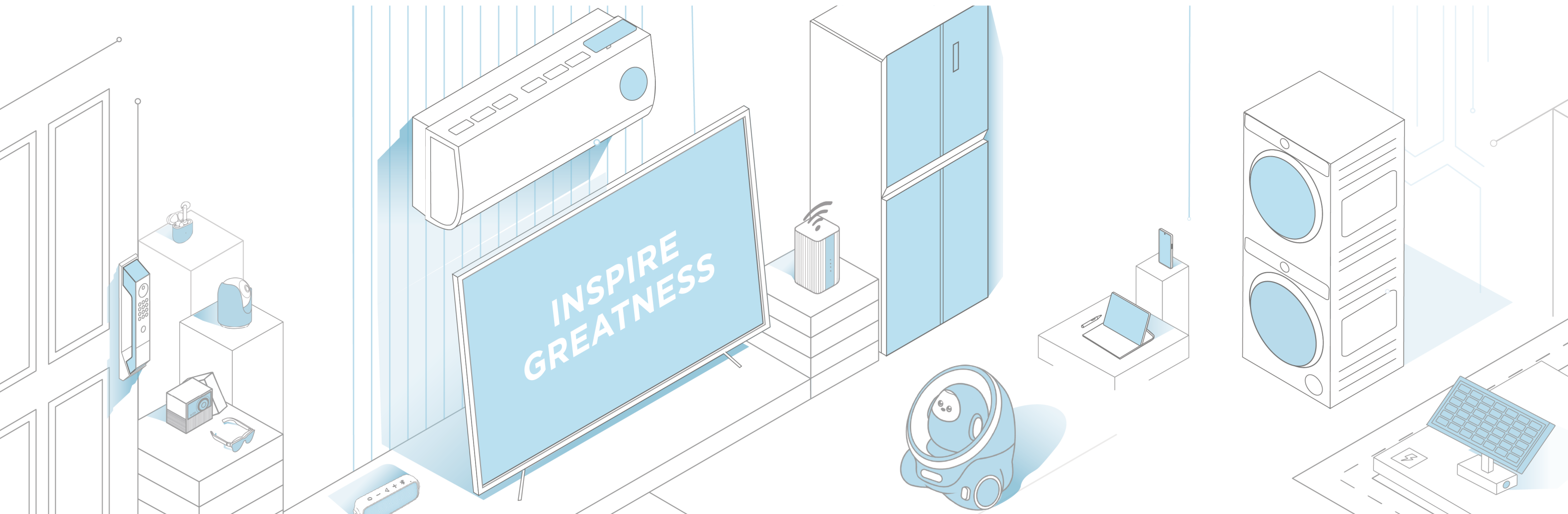
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# Chairman's Statement



# 01

## Chairman's Statement



Attaining Aspirations Through Tenacity  
Advancing Through Dauntless Endeavour

In 2024, the global economic landscape was marked by heightened complexity and volatility, coupled with extensive adjustments in international supply chains and exposing enterprises to various operational risks and challenges. Amid an intricate external environment, TCL Industries remained dedicated to high-quality growth, adhering to its core strategic principle: "Lead with Brand Value, Excel in Global Efficiency, Drive with Technology, Thrive on Global Vitality". The Company intensified its focus on "Technological Transformation" and "Globalisation", while strengthening its core business pillars, exploring emerging business segments, and identifying new value drivers — leading to robust growth in both global revenue and net profit. In 2024, TCL Industries achieved operating revenue of CNY150.03 billion, representing a year-on-year increase of 24.7%, while net profit reached CNY4.93 billion, demonstrating a remarkable 52.3% year-on-year increase — signifying the Company's advancement to new heights in its growth trajectory.

The Company has maintained a clear and consistent strategic focus on its smart devices business, advancing a diversified product portfolio under its globally leading, TV-centred strategy. This approach has enabled TCL to secure industry-leading positions across both domestic and international markets. In 2024, TCL TV's global market share in terms of shipment rose by 1.4 percentage points year-on-year to 13.9%, ranking among the top two globally. TCL mobile routers ranked third globally in shipment, while Homa refrigerators have maintained market leadership in China's refrigerator export for 16 consecutive years. TCL washing machines advanced to a top-three ranking in domestic sales, and RayNeo's smart glasses ranked first in China's consumer-grade AR market. TCL air conditioners have achieved global production and sales exceeding 20 million sets, representing a 29.6% year-on-year increase. In addition, TCL photovoltaic business successfully entered the top tier of the residential solar market.

Building on its next growth driver, TCL Industries has made notable progress in AR glasses products. Its auto business project secured a substantial capital injection of CNY700 million from Brilliance Auto, while the Company's companion robots generated significant industry attention at CES. The Company's diversification portfolio also demonstrated robust expansion across multiple sectors. Tonly Technology continued to enhance the efficiency and capacity of its overseas supply chain operations. TCL Environmental Technology delivered tangible results from its transformation efforts, and TCL Financial Service sustained healthy development of its supply chain finance business. Despite adverse conditions in the real estate sector, TCL Industrial Park successfully attained its strategic objectives. Meanwhile, Getech maintained its strategic focus on the commercialising AI-driven innovation, though further capability development remained a priority going forward.

Technological innovation serves as a fundamental driver of TCL Industries' long-term growth. As of the end of 2024, the Company operated 24 research and development centres across the globe, alongside 7 ecosystem partnership laboratories, with a dedicated team of over 8,800 R&D personnel. Between 2019 and 2024, total R&D investment reached CNY21.68 billion. TCL Industries focused on the development of core technologies and platform capabilities, and has introduced a series of industry-leading innovations, including: Mini LED All-domain Halo Control Technology for smart displays; FreshIN AI Sleep Fresh Air Technology for air conditioners; Healthy Preservation 2.0 - an advanced Magnetic Field Technology for refrigerators to keep meat supercooled without freezing; Super Drum Super Clean Washing Technology; and NXTPAPER 3.0, the eye-care display solution for mobile devices. These advancements underscored TCL's commitment to delivering an "All-scenario,

All-category, and All-connected" smart living experience to users. Looking ahead, the Company will remain committed to an innovation-driven approach, strategically positioning itself to capitalise on artificial intelligence technological trajectories and evolving market dynamics. TCL Industries will further increase investment in high-end display and AI technologies, driving continuous advancement of product innovation and enhancement.

Establishing a global presence is no longer optional for Chinese enterprises seeking long term competitiveness; those failing to expand internationally risk being left behind. At present, the Company's international revenue constitutes over 60% of total revenue, with products distributed across more than 160 countries and regions. TCL Industries has consistently demonstrated agility in embracing transformation, adhering to the principle that "globalisation is localisation". The Company is committed to deepening local presence and fostering open innovation, working collaboratively with regional partners to achieve mutually advantageous strategic alliances. In its pursuit of brand globalisation, TCL has participated in major international trade exhibitions for over three decades, showcasing innovative technologies developed in China. Furthermore, through multifaceted sports marketing initiatives, the Company has successfully raised its brand recognition markets worldwide. On 20 February 2025, TCL announced that it has officially become a Worldwide Olympic Partner, inaugurating a significant new chapter in its globalisation strategy.

Amid the global momentum towards low-carbon transformation and sustainable development, TCL Industries steadfastly adheres to its green development strategy, comprehensively advancing Environmental, Social, and Governance (ESG) practices. These efforts have garnered consistent industry recognition, with the Company repeatedly earning eligibility for selection on the Fortune China ESG Impact List.

Moving forward, the global economy confronts increasing uncertainties, presenting enterprises with both formidable challenges and unprecedented opportunities. TCL Industries is determined to achieve global leadership, bolstered by the working philosophy of "strategy-centred, innovation-driven, advanced manufacturing, and worldwide operations". We will continue to strengthen our core capabilities, progressively enhance our relative competitiveness, optimise our global industrial footprint, and construct a comprehensive globalised operational framework.

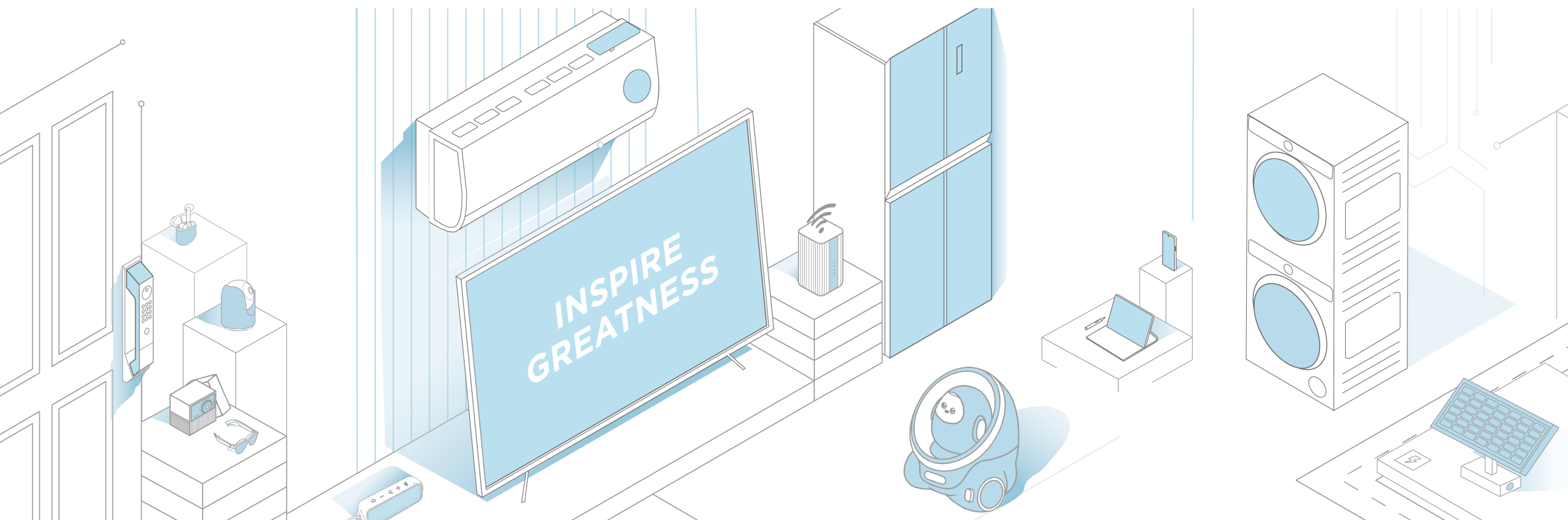
We would like to extend our profound appreciation to our shareholders, management team, and all TCL Industries employees for their exemplary dedication and hard work over the past year. We also wish to express our sincere gratitude to our partners for walking alongside us, as together we forge a new era of success.

李东生



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## About TCL Industries



# 02

## About TCL Industries

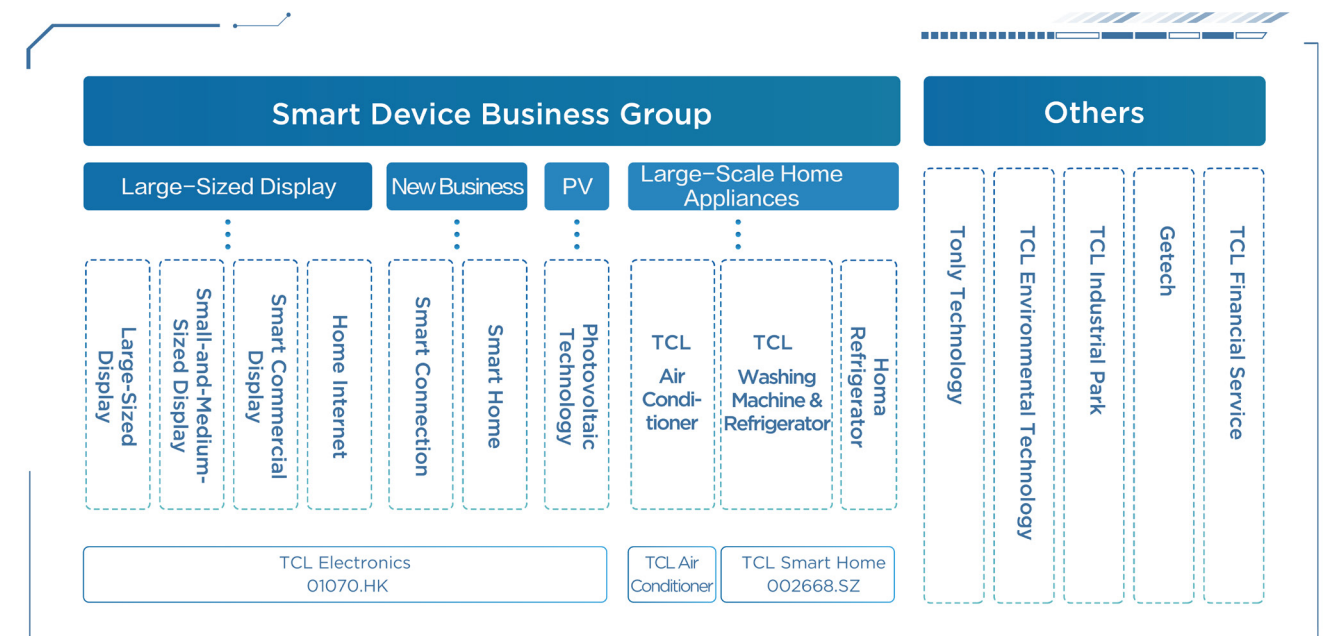


TCL Industries Holdings Co. Ltd. (“TCL Industries” or the “Company”) specialises in comprehensive smart device ecosystems encompassing virtually the entire spectrum of intelligent consumer electronic products and services. This portfolio extends from advanced display technologies to smart appliances, innovative business, and integrated home Internet. Concurrently, the Company pursues strategic diversification through accelerated development in complementary sectors, including environmental technology solutions, industrial park operation, intelligent manufacturing, and specialised industrial financial services.

The Company has implemented a deliberate internationalisation strategy, establishing a sophisticated global supply chain infrastructure. With a workforce exceeding 70,000 professionals across Asia, Americas, Europe and Oceania, TCL Industries maintains worldwide research and development institutions and sales networks spanning more than 80 countries and regions. The Company’s global commercial footprint extends to over 160 countries and regions, operating through a diversified brand portfolio that includes TCL, XESS, FALCON, ROWA, RayNeo, ALCATEL, HOMA, and TONLY.

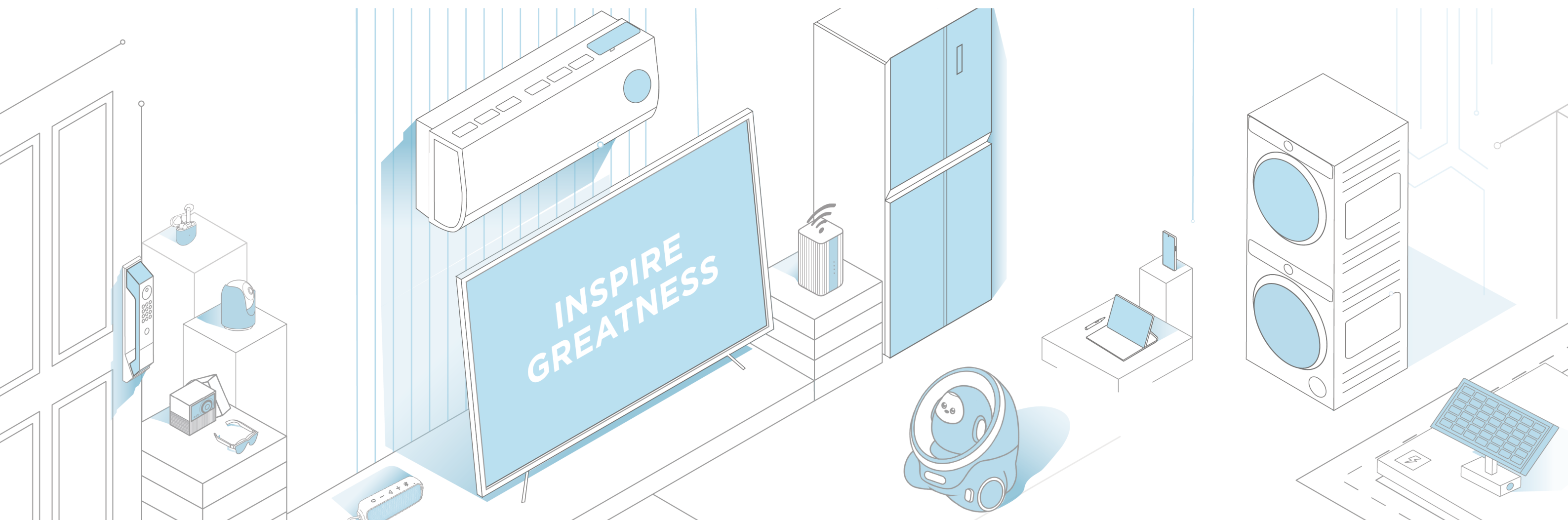
TCL, through its sustained commitment to technological advancement and outstanding performance across international markets, has secured its position in the prestigious 2024 Kantar BrandZ Top 100 Most Valuable Chinese Brands, ranking 77th — representing a notable advancement of six rankings. The Company has additionally been distinguished with the esteemed “2024 Global Pioneer Brand” accolade. In a significant strategic development on 20 February 2025, TCL formalised its partnership as a Worldwide Olympic Partner, further cementing its recognition as a globally influential brand.

TCL Industries catalyses comprehensive sector advancement through technological transformation and globalisation. With a concentrated focus on smart products and services, the Company is committed to delivering forward-looking technological experiences to its international clientele. Such strategic vision empowers consumers worldwide to embrace enhanced living standards characterised by intelligent integration and wellness optimisation, as the Company strives to establish preminent global leadership in advanced intelligent technology domains.



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## Business Highlights in 2024





# 03

## Business Highlights in 2024

Global Ranking | TCL MiniLED Market Share

**NO.1** | **+28.8%** ▲

Global Ranking | Global TV Market Share

**NO.2** | **+13.9%** ▲

In 2024, the global geopolitical and economic landscape has undergone profound transformations. Market conditions and technological progression continue to evolve at an unprecedented pace, with AI carving new pathways for worldwide development — creating a dynamic interplay of formidable challenges and extraordinary opportunities. Amid this intricate environment, TCL Industries has demonstrated remarkable resilience and strategic acumen. Drawing upon the collective intellectual capital, strategic courage, and unwavering determination of its workforce, the Company has navigated complexity with distinction. This strategic execution has yielded multifaceted success: robust expansion across international markets, substantial enhancement of operational excellence, and a marked elevation in comprehensive profitability metrics.

### Significant Breakthroughs in the Mid-to-high-end Markets: Technological Innovation Enhances Product Competitiveness and User Experience

1) The “mid-to-high-end + large-screen” strategy has yielded significant results, establishing TCL as a leader in Mini LED industry standards

TCL Industries has resolutely advanced its bifurcated “mid-to-high-end + large-screen” and “TCL + Falcon” dual brand strategies. In 2024, global shipment of TCL TV expanded by 14.8% year-on-year, reaching 29 million sets — representing a historical performance benchmark for the Company. TCL’s global TV market share in terms of shipment rose by 1.4 percentage points to 13.9%, ranking amongst the top two<sup>①</sup> global TV brands and substantially exceeding aggregate industry average. The Company continues to develop comprehensive performance enhancement solutions for Mini LED technology, encompassing the complete technological spectrum from illumination subsystems to visual rendering components, thereby establishing definitive industry benchmarks. The product mix for large-sized displays has been further optimised, with the sales of mid-to-high-end products such as TCL Mini LED TV maintaining in rapid growth. Global shipments exceeded 1.7 million sets, reflecting an exceptional year-on-year surge of 194.5%. TCL Mini LED TV’s global market share in terms of shipment increased by 4.3 percentage points year-on-year to 28.8%, ranking first globally<sup>②</sup>.

① Source: Global Brand TV Shipment of 2024 from Omdia

② Source: Global Mini LED TV Shipment of 2024 from Omdia

2) Technological innovation propelling multi-category industry leadership and market pre-eminence

TCL Industries maintains an unwavering conviction that product superiority constitutes the fundamental catalyst for excellent performance, remaining resolute in its product-centric operational approach. We adhere to the business philosophy of “strategic capital deployment and product development initiatives conceptualised across extended temporal horizons of five to ten-year”, augmenting research and development resource allocation across display technology ecosystems, AI frameworks, and innovative application scenarios to enhance product attributes, technological capabilities, operational efficiency parameters, and comprehensive consumer experience. In 2024, the Company has introduced an extensive portfolio of intelligent product innovations across diversified specialised market segments, including AI Sleep Fresh Air Conditioner, Washer & Dryer Pair, Ultra Thin & Free BUILT-IN Refrigerator, AI+AR smart glasses, 3D facial recognition smart

door locks and the TCL NXTPAPER 14 tablet featuring proprietary full-colour electronic paper display NXTPAPER 3.0 technology, further enriching our product portfolio. Multiple product categories have established definitive industry leadership positions across both domestic and global markets: TCL mobile broadbands rank third<sup>③</sup> globally in shipment; air conditioner have achieved global production and sales exceeding 20 million sets; Homa Refrigerator has maintained market leadership<sup>④</sup> in China’s refrigerator export sector for 16 consecutive years; RayNeo smart glasses command 35.6% market share, ranking first<sup>⑤</sup> in Chinese consumer AR glasses, with technological capabilities and application ecosystem influence demonstrating continuous enhancement trajectories. Simultaneously, the Company’s distributed photovoltaic business segment has experienced accelerated growth parameters, with innovative business development trajectories demonstrating emergent potential. In the auto business sector, the Company has strategically delineated three primary business streams: smart displays, smart cabins, and smart driving. These initiatives have attracted further investment from Brilliance Auto, fostering a collaborative partnership for joint development. Moreover, at the 2025 Consumer Electronics Show (CES), TCL Industries proudly introduced the world’s first modular AI companion robot, TCL Ai Me. This launch represents a pivotal advancement in the Company’s pioneering efforts within the smart home arena, showcasing our technical expertise in seamlessly integrating AI and the IoT.

Global Production and Sales of Air Conditioners Exceeded

**20+** million sets

Global Shipment Ranking of TCL Mobile Broadband

**TOP 3**

RayNeo Smart Glasses Ranking

**NO.1** among consumer-grade AR glasses in the PRC



③ Source: Global Shipment of 2024 from TSR

④ Source: ChinalOL

⑤ Source: Annual report on sales volume of AR online market in China from RUNTO





爆改桌面 更好用      小白操控 更好用      极客影音 更好用      潮玩电竞 更好用      全能管家 更好用

\*灵控系统部分场景功能随后续系统版本升级导入，不同型号之间可能存在部分功能差异。

## Operational Excellence Acceleration and Global Localisation Strategy Empower Worldwide Business Expansion

### 1) Holistic advancement of global marketing ecosystem sustained elevation of brand eminence

TCL Industries steadfastly pursues a global localisation brand strategy, underpinned by a meticulously tailored marketing approach. By leveraging sports marketing, a diversified portfolio of event sponsorships, and the creation of an advanced global customer management system, the Company has fortified its international marketing infrastructure across multiple facets, encompassing brand promotion, channel management, retail oversight, and the management of user engagement and e-commerce operations. This multi-dimensional approach has markedly elevated marketing efficacy and amplified the brand's intrinsic value.

TCL Industries' precision-driven marketing strategy hinges on dynamic refinements to market preferences. Notable initiatives include sustained sponsorship of prestigious events such as the NFL in North America, a strategic alliance with multiple European national football teams and Arsenal Football Club, and supporting the Copa Libertadores in South America. In 2024, TCL TV's global brand index rose by an impressive 5.0% year-on-year, reaching a score of 89<sup>⑥</sup>. In addition, the TCL brand secured its place among the "Google x Kantar BrandZ Top 50 Chinese Global Brand Builders" for the eighth consecutive year.

In February 2025, TCL proudly unveiled its designation as a Worldwide Olympic Partner, committing to deliver cutting-edge technological, product, and service support for the Olympic Games within the smart devices domain, chiefly spanning TVs, air conditioners, refrigerators, and washing machines. This landmark partnership will harness AI technology to provide bespoke event content recommendations, further unleashing the brand's potential.

### 3) AI technology surpasses home internet application limits, as IoT broadens smart living horizons

TCL Industries has achieved pioneering advancements in AI-driven scenario applications, significantly elevating user engagement and satisfaction through the continuous enrichment of platform content and the optimisation of operational efficiencies.

In 2024, the Company successfully rolled out the "TCL LINGKONG UI 3.0" upgrade, and has sustained robust partnerships with leading internet giants such as Roku, Google, and Netflix. The Company has undertaken a comprehensive enhancement of its integrated content application, TCL Channel.

By the end of 2024, had expanded its reach across international markets, amassing a cumulative user base exceeding 32.6 million. Furthermore, TCL has constructed the Turing AIGC service platform, leveraging Graph RAG technology to establish a comprehensive knowledge base comprising 1,600 product-related data points, installation diagrams, and instructional videos. This platform provides a seamless, end-to-end solution, encompassing data processing through to graph modelling. Concurrently, TCL Industries has refined its research and development processes by harnessing Agents technology and chain-thinking intelligent tools, resulting in a marked uplift in research and development efficiency. Leveraging advanced AI large language models, the Company has introduced cutting-edge features, including seamless transitions between online and offline voice interactions, multilingual capabilities, and intelligent APP connectivity. These innovations have enriched device interaction experiences and delivered smart health ecosystem solutions, empowering users to embrace enhanced, healthier lifestyles.



<sup>⑥</sup> The brand index is derived from global brand TV sales market share divided by shipment market share in 2024 from Omdia



## 2) Fortified global localised industrial prowess, with refined logistics resources and enhanced warehouse networks

To adeptly navigate the complexities of an evolving global landscape, TCL Industries has meticulously crafted a strategic framework titled "Regional Industrial Centres + Satellite Factories". Anchored in the tenets of "Digitalisation, Platformisation, Integration, and Globalisation", the Company has established preeminent industrial hubs across China, Vietnam, the Americas, and the Mediterranean region. These are complemented by an array of strategically positioned satellite factories, forging a robust and synergistic production ecosystem. The principal industrial centres deliver localised ancillary facilities, streamlined order fulfilment, and expedited regional delivery, culminating in a highly efficient production apparatus that accelerates market responsiveness and bolsters competitive advantage. In tandem, TCL Industries has pioneered the establishment of cutting-edge global logistics centre, driving the evolution of regional supply chain hubs and spearheading the optimisation of worldwide logistics resources warehouse networks. This sophisticated initiative has engendered a dual-tier operational strategy, integrating factory output with an advanced warehousing matrix, thereby enhancing agile delivery mechanisms and fortifying crisis management proficiency across global operations. In 2024, the Company further solidified its strategic alliances with key suppliers and distribution, notably renewing its cooperation framework agreement with COSCO Shipping Lines. Through the seamless integration of digital collaboration, this partnership has elevated the harmonisation of global multimodal transportation, warehousing, customs clearance, distribution, and other intricate supply chain operations.



Adopting a "regional industrial centres plus satellite factories" model as its global layout strategy



## 3) Seamless synergy of global integration and localised responsiveness, propelling operational excellence to cultivate a vibrant organisation.

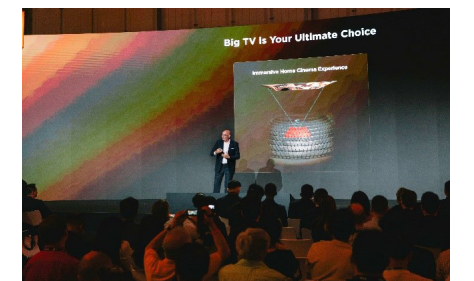
TCL Industries staunchly upholds the conviction that preeminent operational efficiency is the linchpin of enduring success. Amidst the evolving landscape of de-globalisation, TCL Industries has adeptly entrenched itself within multinational markets, embracing a sophisticated paradigm that harmonises global integration with localised responsiveness. This strategic duality empowers TCL to nimbly address the distinct demands and regulatory shifts of individual markets, cultivating bespoke capabilities meticulously attuned to the nuances of diverse national landscapes. In mature markets such as Europe and North America, TCL has cemented lasting competitive distinction through alliances with globally renowned technology leaders, effecting a transformative elevation from a "high value-for-money brand" to a paragon of "high-quality brand".

Conversely, in the emerging markets including Southeast Asia, Africa, and Latin America, the Company deploys a multifaceted array of localised cooperation strategies, forging resilient local responsiveness to ensure its offerings retain both competitiveness and allure across the global spectrum.

In 2024, TCL Industries sharpened its focus on refining the consumer chain, encompassing brand stewardship, marketing prowess, retail excellence, logistics optimisation, and service distinction. The Company delineated precise regional positioning and strategies for its six business groups: China, North America, Europe, Asia-Pacific, Latin America, and the Middle East-Africa. This comprehensive reconfiguration of its global business development framework yielded remarkable results, with majority of regional entities achieving double-digit revenue growth over the year, complemented by substantial profitability gains across all territories.

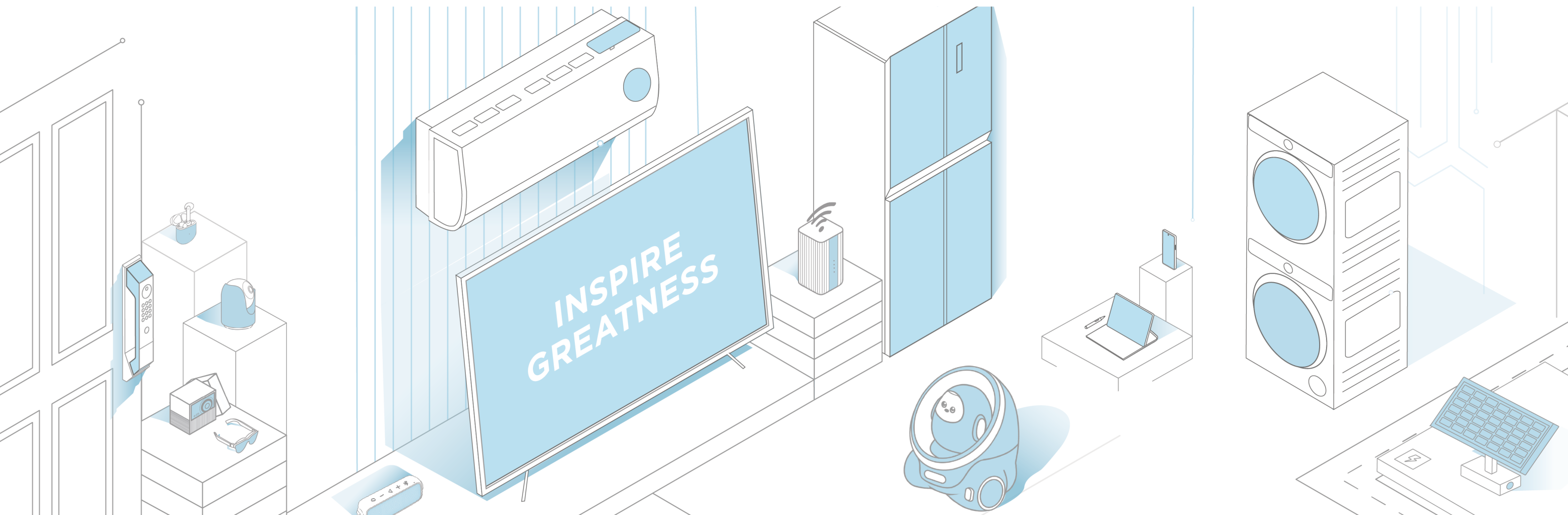
Concurrently, seamless collaboration among the Company's regions, product divisions, and capability centres facilitated a vibrant calendar of technology symposiums, product unveilings, and marquee exhibitions — including the TCL QD-Mini LED technology launch, and the Global Partner Conference, further enriching ecosystem synergies. The Company actively participated in major international exhibitions, including the Consumer Electronics Show (CES), further strengthening ecological exchanges across various regions.

In its relentless pursuit of efficiency, TCL Industries has sculpted a formidable competitive edge through astute refinements to its expense structures, accelerated operational turnover, and the relentless pursuit of cost efficiency, laying robust foundations for sustained, high-calibre growth over the long term. On the organisational front, the Company executed a series of strategic global realignments, notably restructuring its white goods division, while fostering integration and vitality among domestic and international teams through bespoke training programmes. These efforts have profoundly strengthened team cohesion, infusing the Company with renewed dynamism and purpose.



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## Financial Highlights



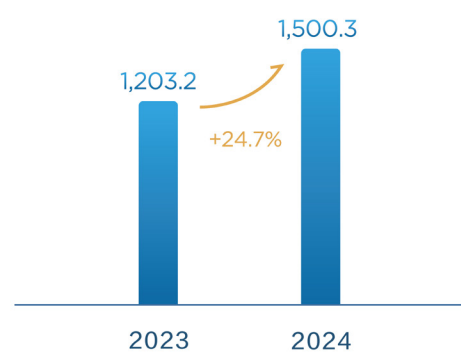
# 04

## Financial Highlights

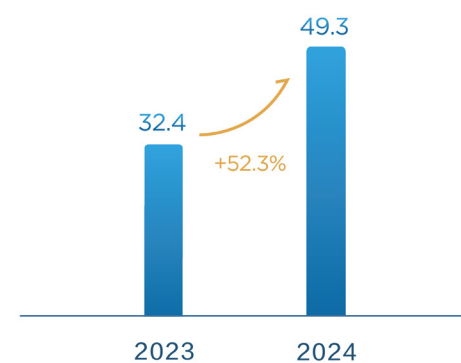
Unit: CNY 100 Million	2024.01-12	2023.01-12	YoY Change
Revenue	1,500.3	1,203.2	24.7%
Gross Profit	265.0	243.4	8.9%
Net profit	49.3	32.4	52.3%
Net profit attributable to shareholders of the parent company	19.6	11.1	76.9%
Return on equity	26.5%	16.1%	10.4 p.p.
Cash cycle (Days)	18	22	-4

Unit: CNY 100 Million	2024.12.31	2023.12.31	YoY Change
Total Asset	1,384.0	1,196.2	15.7%
Total Liabilities	1,145.0	986.1	16.1%
Liabilities to assets ratio	82.7%	82.4%	0.3 p.p.
Interest-bearing liability ratio	19.1%	21.8%	-2.7 p.p.
Total owner's equity	238.9	210.2	13.7%
Owner's equity attributable to shareholders of the parent company	78.1	69.9	11.7%

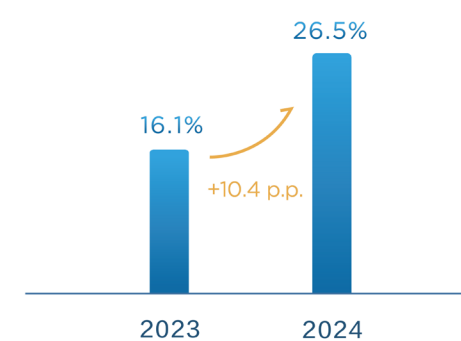
■ Revenue Unit: CNY 100 Million



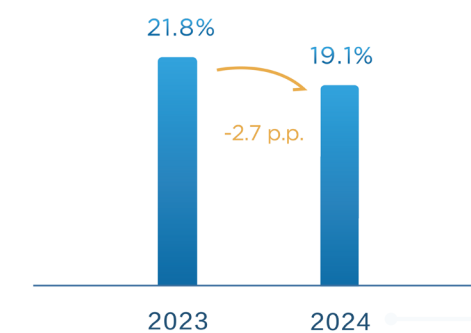
■ Net profit Unit: CNY 100 Million



■ Return on equity



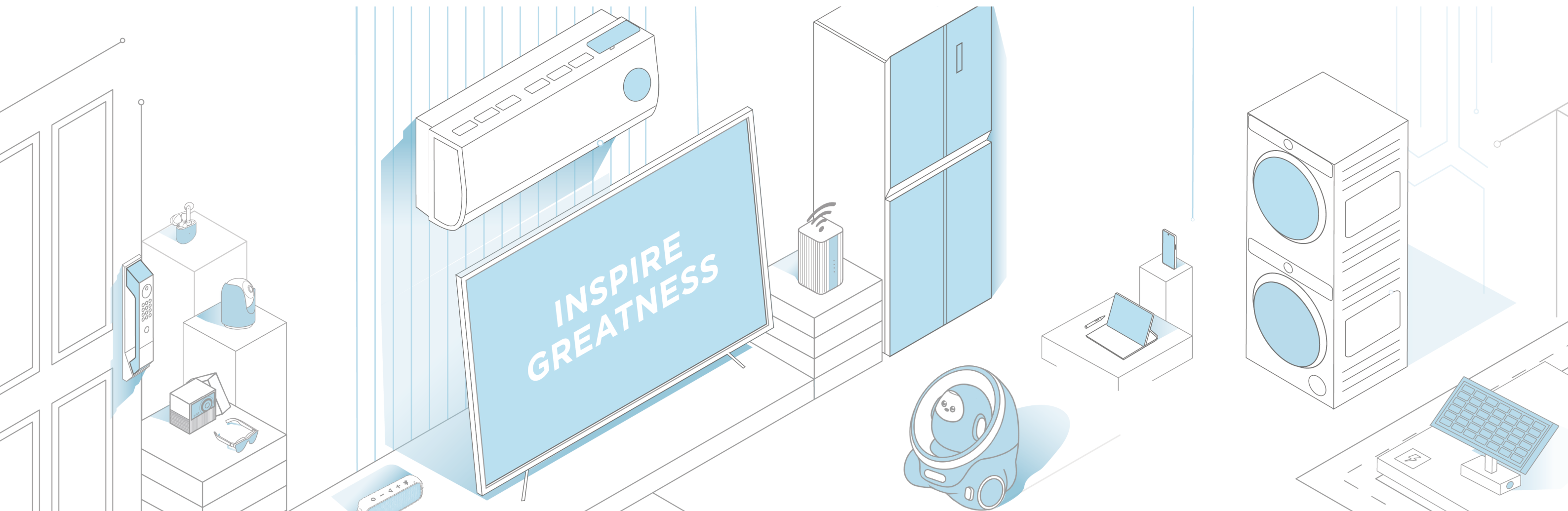
■ Interest-bearing liability ratio





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Management Discussion  
and Analysis



# 05

## Management Discussion and Analysis



In 2024, tentative yet discernible signs of global economic resurgence have begun to surface. The International Monetary Fund projects a global growth rate of 3.2%<sup>①</sup>, a figure that, while falling short of pre-pandemic levels, underscores a prevailing sense of stability. The pervasive adoption of transformative technologies, notably AI, is infusing fresh vitality into economic expansion. Nevertheless, the multifaceted external landscape continues to present significant headwinds for long-term economic outlook. Turning to the Chinese economy, a robust performance has been propelled by strong exports and effective government stimulus measures, enabling the country to meet its official growth target of 5%<sup>②</sup>.

Casting a discerning eye over the industry terrain, the traditional large-scale home appliances, including colour TVs, ACs, refrigerators, and washing machines maintains an unwavering market valuation in the trillions of yuan, emblematic of its enduring stability. Within this sphere, the TV segment reveals compelling avenues for structural refinement, evidenced by robust demand for mid-to-high-end TVs, notably large-sized models and Mini LED technologies. Simultaneously, the global realignment of panel production capacity towards Chinese manufacturers, coupled with increasing consolidation, has driven the market share of the top four global branded TV shipments from 53.8% in 2023 to 54.6% in 2024<sup>③</sup>, underscoring a pronounced trend towards concentration. The market for air conditioners, refrigerators and washing machines, while steadfast in scale, harbours considerable untapped potential. Enterprises fortified by distinguished brand equity and formidable channel networks are exceptionally well-positioned to amplify their market dominance, capitalising on these latent opportunities.

In parallel, nascent industries such as renewable energy and AI are undergoing a phase of dynamic and transformative growth. In 2024, China's photovoltaic sector achieved a remarkable milestone, with new installed capacity reaching 277.7 gigawatts, a year-on-year surge of 28.3%. Notably, the distributed photovoltaic segment recorded a 22.7% increase in grid-connected capacity, attaining 118.2 gigawatts<sup>④</sup>. Furthermore, projections from Frost & Sullivan<sup>⑤</sup> anticipate that the global intelligent service robot market will ascend to a valuation of USD6.7 billion by 2026.

<sup>①</sup> Source: World Economic Outlook, International Monetary Fund, January 2025

<sup>②</sup> Source: National Bureau of Statistics of the PRC

<sup>③</sup> Source: Global brand TV shipment from 2023 to 2024 from Omdia

<sup>④</sup> Source: National Energy Administration of the PRC

<sup>⑤</sup> Frost & Sullivan, a business consulting firm



# 5.1 Strategy and Vision



Technological advancements and AI empowerment are reshaping the contours of human existence, ushering in an unprecedented era of universal interconnectivity. Tomorrow's discerning consumers will increasingly demand experiences that are bespoke, intelligent, health-oriented and sustainable. TCL Industries steadfastly harnesses technological innovation as its cornerstone, fortifying its strategic vision encapsulated in the ethos: "Lead with Brand Value, Excel in Global Efficiency, Drive with Technology, Thrive on Global Vitality". Embracing the surging tide of AI technology, the Company adeptly leverages this capability to elevate its product offerings, bolster operational competencies, and enhance efficiency with remarkable precision.

Anchored in four pivotal domains — products, marketing, operations, and talent — TCL Industries cultivates a formidable core competitiveness, crafting an "All-scenario, All-category, and All-connected" smart living ecosystem tailored to the needs of global users. With resolute determination, the Company advances its comprehensive smart IoT ecosystem, positioning smart displays as the linchpin of its forward-thinking vision. Prioritising mid-to-high-end segments and international markets, TCL Industries actively pursues innovative avenues for business growth, aspiring to ascend as a preeminent global leader in smart devices technology.



## AI Unveils the Future

Visual experiences are evolving beyond the confines of single screens, advancing into realms of spatial immersion and intelligent dimensions. TCL Industries is poised to anchor its strategy in pioneering AI-driven display technology, setting unparalleled standards in visual excellence through the deployment of premium technologies such as Mini LED and QLED. Simultaneously, by prioritising imaging and display as its twin pillars of technical expertise, and seamlessly embedding advanced AI algorithms, the Company will unleash a suite of advanced functionalities, encompassing adaptive scene recognition and precision-driven dynamic colour enhancement. With a resolute commitment to elevating its global product planning prowess, TCL will proactively refine its product portfolio, achieve significant inroads into mid-to-high-end market segments, and address the discerning needs of consumers for health-conscious displays and deeply immersive experiences.

Moreover, we shall introduce an expanded array of intelligent, display-centric products, including AI+AR smart glasses, smart door locks, smart commercial displays, and smart auto systems. By capitalising on TCL Industries' distinguished mastery in display technology, we endeavour to enhance and diversify our repertoire of display offerings, thereby laying a robust foundation for enduring growth and prosperity in the years ahead.



## Seamless Interconnectivity of Intelligent Scenarios

The intricate fusion of AI and IoT is catalysing a profound evolution in smart homes, transcending the rudimentary framework of "device connectivity" to embrace the elevated domain of "scenario intelligence". TCL Industries stands poised to harness the revolutionary capabilities of frontier technologies, including AI, IoT, and 5G, whilst steadfastly intensifying its pursuit of an all-encompassing strategy for smart and healthful living across diverse scenarios. This commitment manifests in the enriched development of its established application spheres, spanning smart residences, intelligent apartments, astute energy management systems, sophisticated security architectures, smart auto solutions, innovative educational platforms, smart architectural designs, luxurious smart hospitality venues, and cutting-edge conference facilities. Through the meticulous construction of a comprehensive AIoT ecosystem, exquisitely calibrated to the nuanced demands of its users, TCL will masterfully orchestrate fluid and intelligent synergies across a multiplicity of consumer contexts, thereby actualising a seamlessly integrated, all-encompassing smart IoT paradigm.

TCL Industries will fortify its strategic alliances with global titans such as Google and Amazon, whilst significantly bolstering its investment in AI technology. The Company will prioritise advancements in IoT connectivity, AI-driven voice capabilities, and the development of robust data and cloud service platform, with the overarching ambition of spearheading pioneering smart display applications. This concerted effort aims to deliver innovative, industry-leading solutions that redefine multi-dimensional interaction.

In addition, TCL Industries will extend the reach of intelligent connectivity beyond the realm of consumption into the industrial sphere. By harnessing the capabilities of the Getech Industrial Internet platform, and drawing upon its deep-seated expertise in amalgamating AI with manufacturing processes, the Company will strategically address critical imperatives such as yield enhancement and the optimisation of labour efficiency. Through this visionary approach, TCL is poised to propel the manufacturing sector towards a future defined by intelligence and exemplary operational efficiency.



## Globally Attuned Local Operations

Connectivity unites the world, while globalisation draws it ever nearer. TCL Industries astutely navigates the dual currents of competition and opportunities ushered in by this global paradigm. Looking ahead, the Company will steadfastly nurture its presence across international markets, fortify channel alliances, and forge cooperative relationships grounded in the principles of sustainable supply. By sharpening its focus on channel strategy, meticulous management, astute policy formulation, and seamless operations, TCL will elevate its global customer management framework, delivering concurrent advancements in marketing efficacy and brand distinction. This strategic vision will culminate in the creation of a mutually prosperous business ecosystem, cultivated in partnership with its global partners, exemplifying a harmonious balance of ambition and interdependence.

In its global business endeavours, TCL Industries will redefine and elevate its intricate multi-centre operational model, whilst resolutely advancing its strategy of global localisation. The Company will foster impeccably integrated organisations anchored in regional hubs, orchestrating a harmonious alignment of research, production and sales with exemplary efficiency. TCL stands unyieldingly committed to architecting a supply chain ecosystem that positions consumers and customers as its paramount focus — characterised by security, agility, operational excellence, and environmental sustainability, thereby ensuring steadfast support for product delivery and quality assurance.

In the contemporary era of globalisation and the ascendancy of information technology, talent stands as the pivotal bedrock of corporate competitiveness. TCL Industries will resolutely fortify its global operational prowess, refine its international talent development, dismantle impediments to the seamless flow of overseas expertise, elevate the professional acumen of its workforce, and perpetually invigorate its employees with a profound sense of purpose and vibrant dynamism.



## Forging a Sustainable Future

Green practices and the pursuit of carbon neutrality serve as a vital safeguard for enduring sustainability. In adherence to the green development philosophy, TCL Industries champions low-carbon operations across every facet of its enterprises, embracing green design, sustainable supply chains, environmentally attuned manufacturing, eco-friendly packaging, efficient green logistics, responsible marketing and services, and comprehensive green recycling. Through the strategic application of cutting-edge digital technology, the Company elevates the precision and effectiveness of its low-carbon management system, setting an exemplary standard for environmental stewardship and operational excellence.

TCL Industries commands a vast and intricately woven network encompassing production, sales, logistics and services. Beyond its own concerted efforts to curtail emissions, the Company mandates that all stakeholders within its supply chain embrace green and low-carbon practices, reflecting its profound commitment to corporate social responsibility as a leading tech-driven corporation. This dedication is exemplified through substantial investment in the "Dual Carbon" sectors and the construction of a "Carbon Neutral" ecosystem. Recognising that carbon neutrality yields enduring benefits for both present and future generations — meriting steadfast and unrelenting endeavour, TCL Industries solemnly vows to attain its carbon peak by 2030 and achieve full carbon neutrality by 2050, thereby setting a distinguished precedent for sustainable leadership on the global stage.

# 5.2 2024 Business Review



In 2024, the Company implemented a comprehensive suite of strategic directives calibrated to address evolving market paradigms. Our approach was anchored in technological innovation and talent-driven principles, with dual emphasis on brand pre-eminence and operational excellence. We remained steadfastly committed to our core smart devices business while pursuing quality-oriented growth.

**Revenue**  
**150.03 Billion**  
 +24.7% YoY ▲

**Net Profit**  
**4.93 Billion**  
 +52.3% YoY ▲

### The PRC Market

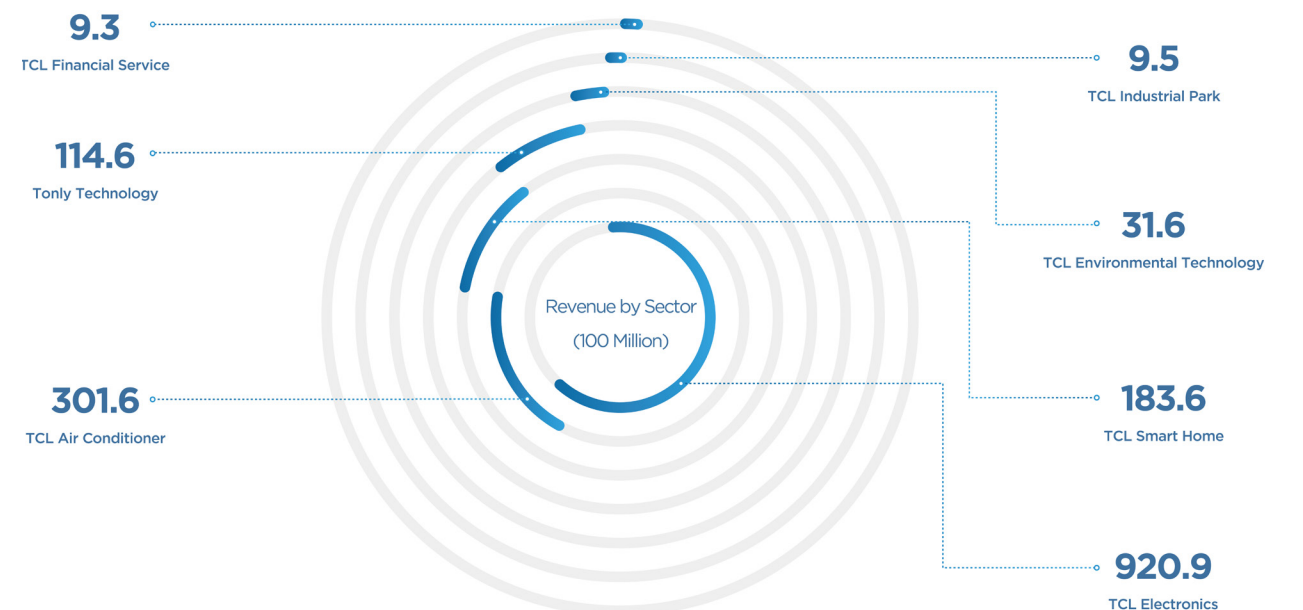
Leveraging national subsidy policies, we maintained strategic focus on premium market segments while systematically advancing product portfolio restructuring. Through comprehensive optimisation of omnichannel distribution networks, our core business revenue in the PRC market demonstrated substantial growth, achieving a **17.2%** year-on-year increase to CNY **56.09** billion.

### International market

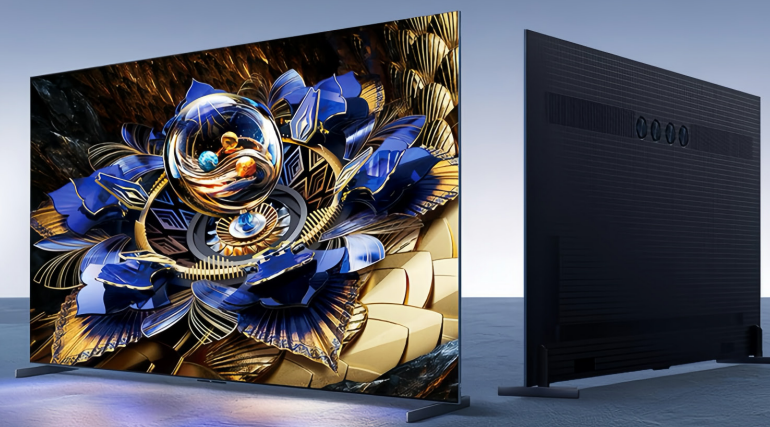
Propelled by our dual-vector approach of strategic global positioning and intensive local market cultivation, we deployed precision-engineered market strategies tailored to specific territorial dynamics. This methodology yielded substantial enhancement in retail distribution penetration metrics, generating international core business revenue of CNY **92.29** billion, representing a **30.1%** year-on-year advancement.

■ CNY: 100 Million	2024.01-12	2023.01-12	YoY Change
TCL Electronics	920.9	725.0	27.0%
TCL Air Conditioner	301.6	241.7	24.8%
TCL Smart Home	183.6	151.8	21.0%
Tonly Technology	114.6	88.9	28.9%
TCL Environmental Technology	31.6	23.6	33.5%
TCL Industrial Park	9.5	9.4	1.7%
TCL Financial Service	9.3	9.8	-4.6%

■ CNY: 100 Million	2024.01-12	2023.01-12	YoY Change
The PRC market	560.9	478.6	17.2%
International market	922.9	709.3	30.1%
<b>Total</b>	<b>1,483.8</b>	<b>1,187.9</b>	<b>24.9%</b>







## 2 Continuously Enhance User Experience and Services, Strengthen Overseas Market Penetration

TCL Electronics is committed to expanding the global presence of its internet business and strives to provide users with products and services that allow multi-screen real-time interaction and smart sensing across all scenarios. During the reporting period, TCL Electronics' global internet business revenue reached CNY2.40 billion, sustaining an exemplary gross profit margin of 56.4%. As an innovator in the OTT field, TCL Electronics upgraded the "TCL LINGKONG UI 3.0" during the year. Tailored for diverse scenarios such as audio-visual entertainment, the system offers over 300 customisable smart desktop widgets—ranging from travel planning to weather alerts—positioning it as a versatile home assistant that delivers an intuitive, smartphone-like user experience. Additionally, in international markets, TCL Electronics continued to strengthen its close cooperation with internet giants such as Google, Roku, and Netflix, while its integrated content application, TCL Channel, has covered overseas market globally, with more than 32.6 million cumulative users.

## 3 Innovative Business Exhibits High-Growth Trajectory While Proactively Establishing Preminent Positioning Across Nascent AI Intelligence Ecosystem

TCL Electronics strategically harnesses its substantial brand strength, globalised channel resources, and advantages of vertical integration across the entire industry chain accumulated from the display business to drive the rapid development of innovative business such as photovoltaic business, all-category marketing business and smart connection business. During the reporting period, TCL Electronics' innovative business divisions generated revenue of CNY24.64 billion, manifesting an exceptional year-on-year expansion of 46.7%.

In terms of photovoltaic business, TCL Electronics adhered to its strategic positioning as a "User-Oriented, World-Leading Intelligent Distributed Energy Solutions Service Provider". It fully leveraged its advantages, such as upstream industrial chain resources, financial partnerships, industrial and commercial project reserves, and comprehensive channel coverage. The Company stayed aligned with "Relatively Light Asset" model, focused resources on seizing high-quality markets, driving high-quality growth in the distributed photovoltaic business, and successfully entered the first tier in the household business. During 2024, TCL Electronics' photovoltaic business revenue demonstrated extraordinary expansion of 107.0%, reaching CNY11.74 billion, with gross profit exhibiting remarkable year-over-year enhancement of 112.6% to CNY1.17 billion. The Company's photovoltaic business has covered 23 key provinces and cities in the PRC, with over 220 industrial and commercial contracted projects, over 2,110 distribution channels, and more than 170,000 contracted rural residents.

TCL Electronics has consistently focused on the development of AR and XR technologies, RayNeo, a company internally incubated by TCL Electronics, ranked first<sup>2</sup> in China's consumer-grade AR market with a remarkable 35.6% market share. During the reporting period, RayNeo launched RayNeo Air 2s, the first AR glasses in the PRC market that have passed the ZREAL certification for ultra-high-definition video quality. Subsequently, the Company also launched the RayNeo Air 3 and RayNeo Air 2 Champion Edition, RayNeo V3 AI shooting glasses, further improving its product matrix.

Furthermore, during CES 2025, TCL Electronics also showcased another significant achievement in the smart home field — the world's first modular AI companion robot, TCL Ai Me. This product features a bionic appearance design and a mobile space capsule base, and possesses multimodal natural interaction capabilities that enable emotional companionship and personified interactions, intelligently controlling home appliances to significantly enhance the convenience and comfort of daily life.

<sup>2</sup> Source: Annual report on sales volume of AR online market in China from RUNTO

Navigating a market environment characterised by both opportunities and challenges, TCL Electronics adhered to the strategic direction of "Lead with Brand Value, Excel in Global Efficiency, Drive with Technology, Thrive on Global Vitality", focusing on enhancing core competitiveness. The Company's "TCL + Falcon" dual brand and "Mid-to-High-End + Large-Screen" strategies have yielded remarkable financial performance in 2024, with revenue reaching CNY92.09 billion, representing a year-on-year increase of 27.0%. Leveraging its display business, with the scale effect of its new business gradually strengthened, gross profit amounted to CNY14.49 billion, marking an annual growth rate of 14.0%.

In terms of cost control, TCL Electronics continuously optimised its operational efficiency, evidenced by a year-on-year 1.6 percentage points reduction in expense ratio to 10.9%. Its net profit soared to CNY 1.85 billion, representing an impressive year-on-year surge of 125.4%, further enhancing operational quality.

## 1 Large-Sized Display Business Outpace the Industry with Comprehensive Adoption of AI- Driven Intelligence

Strategically capitalising on global market trends toward larger screens and premium offerings, coupled with synergistic marketing initiatives alongside major sporting events including the European Cup and Olympic Games, TCL has substantially enhanced its brand influence worldwide. This strategic execution has propelled global shipment of TCL TV to unprecedented heights in 2024, achieving a remarkable 14.8% year-on-year increase to 29 million sets. The Company's global market share has consistently expanded, now commanding 13.9% of the market share, ranking among the top two<sup>1</sup> TV brands in the world and significantly outperforming the industry average. Notably, large-sized TV shipments demonstrated significant advancement, with 65-inch and above TCL TV experiencing a 21.3% year-on-year global shipment increase, representing a 1.4 percentage points expansion to 26.0% of the total shipment. Even more impressive, 75-inch and above TCL TV recorded an exceptional 39.8% year-on-year growth in global shipments, with their proportion increasing by 2.4 percentage points to 13.2% of total shipment. These strategic achievements have driven a 25.2% year-on-year revenue increase in the large-sized display business to CNY54.83 billion, substantially enhancing overall profitability.

Simultaneously, TCL's flagship TV product portfolio has successfully integrated with DeepSeek via the TCL AI platform architecture, establishing a collaborative framework with concentrated emphasis on multimodal comprehension capabilities, knowledge processing systems, and content service delivery mechanisms. Through this sophisticated AI technological empowerment, TCL TV systems have achieved remarkable advancements across audiovisual quality enhancement parameters, human-computer interaction methodologies, and content generation capabilities, representing a significant breakthrough in consumer electronics innovation. In the international sphere, TCL Electronics will strategically advance its collaborative partnership with Google, implementing a sophisticated initiative to integrate Google's premier AI large language model, Gemini, across its flagship TV portfolio in international markets, aiming to enhance the overall interactive experience through superior intelligence and optimised interface efficiency.

<sup>1</sup> Source: Global brand TV shipment of 2024 from Omdia

# TCL Air Conditioner



In 2024, TCL Air Conditioner maintains steadfast adherence to its foundational operational doctrine — “Accumulation · Focus · Breakthrough · Stable Growth; New Trajectories · New Competitive Arenas · Pursuit of Transcendent Performance”, while concurrently advancing its institutional mandate of “make it easier for you to enjoy healthy and green life brought by air”, in pursuit of its aspirational corporate positioning as “become a reliable leading brand in healthy air management, heat pump and thermal energy management”. Through methodical implementation of brand equity architectural refinement, technological advancement protocols, experiential interface enhancement initiatives, and operational excellence optimisation frameworks, the Company continues to explore endogenous growth pathways. The financial year culminated with revenue amounting to CNY30.16 billion, representing a year-on-year growth of 24.8%, while net profit reached CNY1.45 billion, demonstrating a remarkable year-on-year surge of 73.4%, thereby demonstrating exceptional institutional adaptability and market competitiveness.

## 1 Geographically-Calibrated Global Market Penetration: Achieving Exponential Operational Excellence and Financial Advancement

Leveraging its exceptional product capabilities and robust channel infrastructure, TCL Air Conditioner achieved annual sales surpassing 20 million sets, representing a year-on-year growth of 29.6%. Notably, the international market division, implementing regionally-calibrated localisation strategies across diverse territories, realised over 45% expansion with sales surpassing 15 million sets. The Brazilian operation successfully consolidated regional resources, resulting in heightened operational efficiency and enhanced profitability. Across the Asia-Pacific region, the Company’s strategic emphasis on “Intelligent Wellness-Oriented Domestic Environmental Management Solutions” facilitated distinctive market positioning through premium and ultra-premium product architectures, culminating in TCL Air Conditioner’s ascension to the premier position in e-commerce search prominence and conversion optimisation metrics within the Thai marketplace. Across European, Latin American, Middle Eastern, and African territories, the Company leveraged new product introductions synchronised with high-visibility cultural phenomena, deploying integrated product-intellectual property multimedia communication strategies to enhance brand recognition metrics within strategically prioritised national markets. In the North American region, the Company inaugurated production of first-generation intelligent window-integrated atmospheric management systems incorporating variable-frequency drive technology and thermal transfer mechanisms, achieving threefold efficiency enhancement with energy consumption reduction of 67%. Through strategic retail partnership expansion with Best Buy and Target, alongside Walmart business development initiatives, the division established unprecedented revenue benchmarks across digital commerce platforms.

## 2 Pioneering the Fresh Air Conditioner Market with World-Class Technological Excellence

TCL Air Conditioner exemplifies excellence in user experience, supported by an elite thousand-member research and development team steadfastly committed to technological advancement and product innovation. This year’s landmark release — the TCL FreshIN C7, representing the fifth generation of fresh air technology, has garnered unprecedented recognition from industry authorities as the “Most Formidable AI Fresh Air Conditioning System in History”. As of the end of 2024, TCL Air Conditioner had established an impressive portfolio of nine globally leading technologies, secured 4,264 patents, and spearheaded or contributed to 71 national and industry standards. Through pioneering technological innovation, TCL has proactively defined the parameters for next-generation air conditioning systems while successfully addressing three critical industry challenges. Strategically positioned within the fresh air sector and powered by the sophisticated “FreshIN C7 Smart Health Technology Engine”, TCL has meticulously developed three comprehensive smart health product ecosystems: “AI Fresh Air, AI Voice, and AI Energy Saving” — all enhanced by advanced artificial intelligence modules. The Company maintained its prestigious “Fresh Air Leading Brand” designation for four consecutive years, with numerous innovations receiving the coveted Red Dot Design Award, thereby fulfilling diverse consumer requirements for superior air quality. In a groundbreaking development in March 2025, TCL Air Conditioner introduced the SHE Air Conditioning Smart Health Green Evaluation Standard, establishing quantifiable metrics for “Smart, Healthy, Green” performance indicators. This initiative further catalyses qualitative advancement within the air conditioning industry, ultimately enabling consumers to enjoy an elevated lifestyle characterised by intelligent technology, enhanced wellbeing, and environmental sustainability.

## 3 Transcending Manufacturing Intelligence: Charting Sustainable Futures through Revolutionary Energy Storage Paradigms

TCL Air Conditioner has secured a strategic capital infusion of CNY2 billion over the year, yielding exemplary outcomes across its operational network: The Wuhan manufacturing nexus, harnessing its smart industrial park system and digital replication methodologies integrated via the comprehensive “6+1” digital platforms, has garnered recognition as a preminent “2024 Wuhan Decennial Exemplar of Manufacturing Intelligence” alongside the distinguished “National Pinnacle-Echelon Intelligence Production Factory” accolade; The Zhongshan operational centre has orchestrated a substantial augmentation in automated systems and AI-enhanced optical recognition apparatus, establishing avant-grade production protocols that have facilitated an unprecedented quinquennial production expansion of 201% over five years; The Guangzhou Intelligent Manufacturing Industrial Park, commissioned in the phase of 2024 in accordance with “digitally-enhanced, autonomously-operated, and ecologically-optimised” developmental imperatives and “ultra-efficient production facility” benchmarks, shall constitute TCL Air Conditioner’s 11th production base with an annual production capacity reaching 38 million sets. Through this multifaceted strategic implementation toward ecologically-conscious intelligent manufacturing ecosystems, TCL Air Conditioner has effectuated a 13% diminution in per-unit energy utilisation, substantially amplified operational efficiency by 76.2%, and preserved in excess of 32 million cellulose sheets annually, meriting the distinguished “Hubei Province Verdant Supply Chain Stewardship Enterprise” and “National Ecological Manufacturing Facility” endorsements. Moreover, TCL Air Conditioner’s thermal regulation systems for energy conservation have procured the inaugural cohort of CRAA thermal management liquid cooling certifications, simultaneously illustrating TCL Air Conditioner’s vanguard position in energy preservation thermal governance while reinforcing national carbon-neutrality objectives through sophisticated technological applications and exceptionally dependable product offerings.



# TCL Smart Home

In 2024, TCL Smart Home continues to deepen the strategic deployment of its dual operational pillars, embracing new opportunities in the global market and entering a novel phase of development. Its Hefei Household Appliances division has reinforced its commitment to the proprietary "TCL" brand, with concentrated efforts on pioneering research, innovation, and production of premium-tier refrigeration and laundry solutions, while simultaneously accelerating international market penetration. Concurrently, Homa Refrigerator maintains its strategic positioning as a "Global Professional ODM of Refrigerator", dedicating its expertise to the sophisticated engineering of refrigerators and freezers, with distinguished competency in air-cooling technological applications. The Company is vigorously advancing its intelligent manufacturing processes to furnish global clientele with refrigeration solutions that epitomise superlative craftsmanship and exceptional cost-performance equilibrium.

## 1 Sustained Volumetric Advancement, Catalysing Parallel Financial Performance Enhancement

TCL Smart Home maintains unwavering commitment to its dual strategic imperatives of global market expansion and AI-powered smart home, which have systematically augmented its competitive market hegemony and brand equity valuation matrices, culminating in superlative financial outcomes with revenue achieving CNY18.36 billion, demonstrating a year-on-year increase of 21.0%; concomitantly, profit attributable to the owners of the parent reached CNY1.02 billion, exhibiting a 29.6% amplification coefficient for year 2024. The refrigerator division manifested exceptional performance indicators with 16.54 million functional sets deployed, representing a 16.6% growth, generating revenue streams of CNY15.5 billion – a 19.5% enhancement quotient, while sustaining its unrivalled position as China's predominant refrigeration export sovereign globally for sixteen consecutive years<sup>1</sup>, and maintaining European market supremacy for seventeen years<sup>2</sup>; simultaneously, the laundry systems division demonstrated unparalleled market penetration with 3.56 million washing machine sets, reflecting a 39.1% expansion that substantially transcends industry normative parameters, thereby elevating domestic market positioning to elite tier-three classification<sup>3</sup> and catalysing divisional revenue streams exceeding CNY2.7 billion, a 33.2% year-on-year increase.

## 2 Innovation-Driven Quality Enhancement: Perpetual Cultivation of Market-Leading Product Ecosystems

TCL Smart Home has strategically amplified capital allocation toward foundational technological advancement initiatives, culminating in the introduction of multiple premium product innovations: the TCL Dual-System Flush-Mount Refrigerator T9 Pro, featuring bifurcated systems with tri-circulation thermal management and compact design, directly addresses quintessential consumer imperatives regarding olfactory isolation and seamless architectural integration, thereby substantively enhancing domiciliary experiential parameters; its revolutionary "Molecular Freshness Preservation Technology+" and "Negative 40°C Crystalline Membrane Deep-Cooling Preservation Technology" have received formal validation from the China Light Industry Federation and China General Chamber of Commerce as achieving superlative international classification. Concurrently, the TCL Super Drum Washing Machine T7H, through its pioneering "Super Drum Technology", has achieved the unprecedented cleaning ratio coefficient of 1.2 – establishing a new industry benchmark – consequently earning the "Cleaning Technology Innovation Gold Award" at the 2024-2025 Global Top Brands. Moreover, the Company has consummated a strategic academic-industrial collaborative framework with Donghua University during the year, establishing a specialised joint research laboratory dedicated to textile maintenance methodologies, thereby intensifying fundamental scientific exploration while collaboratively addressing sector-specific technological impediments; TCL Hefei Household Appliances and Homa Refrigerator orchestrated a commanding synchronised exhibition at the Appliance World Expo (AWE), garnering three distinguished Appliance Design accolades, comprehensively demonstrating exceptional product sophistication and technological mastery while delivering transformative scientific innovations that facilitate elevated consumer lifestyle paradigms.

## 3 Accelerated Advancement of Intelligent Digitalisation: Sustainable Empowerment through National "Trade-in" Subsidy Policy

TCL Smart Home is vigorously propelling intelligent systemisation and advanced manufacturing ecosystem development, accelerating enterprise-wide digital transformation initiatives to establish robust foundational infrastructure for long-term corporate advancement. Notably, TCL Hefei Household Appliances Division has successfully implemented comprehensive automation protocols and error-prevention architectural frameworks, resulting in the establishment of fully-integrated automated production systems with transparent data management architecture spanning the entire operational continuum, substantially enhancing product stability metrics and precision manufacturing capabilities. Concurrently, Homa Refrigerator continues to implement sophisticated enhancements to its Manufacturing Execution System (MES), dedicated to achieving comprehensive online business operational functionality, mobile-integrated intelligent management capabilities, and end-to-end digitalised production processes to maximise operational efficiency parameters. In the sustainability domain, TCL Smart Home demonstrates exemplary corporate citizenship through steadfast commitment to ecological stewardship principles – during the 2024 China Refrigeration Industry Summit Forum, the Aucma Fully-Integrated Refrigerator 520 Alpine White model was distinguished by inclusion in the "2024 China Refrigerator Product Replacement Consumer Guide". In strategic alignment with the national "trade-in" subsidy policies, Homa Refrigerator launched its "Trade-in for Superior Capacity" nationwide promotional campaign in April 2024, offering consumers comprehensive assurance protocols and multiple incentive structures to facilitate seamless product replacement experiences, thereby contributing substantively to the ecological transformation of the broader socioeconomic landscape.

<sup>1</sup> <sup>2</sup> <sup>3</sup> Source: ChinaIOL

# Tonly Technology

Tonly Technology, harnessing its profound foundation cultivated through over a decade of expertise in the acoustic ODM sector, has adroitly leveraged the increasingly specialised segmentation within the global electronic information ecosystem and the paradigmatic shift toward wireless sophistication and intelligent integration within the electroacoustic domain. The Company has constructed an intelligent hardware ODM industrial nexus centred on audio products, smart wearables, AIoT products, precision components and accessories. In 2024, by focusing on collaborations with premier clients, Tonly has effectuated transformative advancements while concurrently directing organisational resources toward internal operational refinement and systemic enhancement. The Company has vigorously strengthened its overseas supply chain infrastructure, markedly elevating international supply chain efficacy. Consequently, business performance has demonstrated sustained growth, with revenue reaching CNY11.46 billion, representing a year-on-year increase of 28.9%, while profit attributable to the owners of the parent amounted to CNY590 million, demonstrating a year-on-year enhancement of 15.5%.

## 1 Strategic Acceleration of Diversified Portfolio Expansion, Fortifying Unrivalled Industry Hegemony

As a pivotal supplier to numerous globally renowned consumer electronics enterprises, Tonly Technology has established unparalleled eminence within the Bluetooth speaker and Soundbar domains. In 2024, its Bluetooth speaker shipments commanded 18.1% of global market share, while Soundbar deliveries secured 17.4% of worldwide market distribution, perpetuating its unrivalled industrial dominance across consecutive years. Financial performance derived from advanced surveillance camera products have manifested logarithmic revenue amplification, achieving bifold enhancement while concurrently establishing strategic integration within premier North American brand clientele. The wearable technology division has correspondingly exhibited extraordinary developmental velocity, with headphone shipments surging precipitously from 4.19 million sets in 2022 to 11.96 million sets in 2024; True Wireless Stereo (TWS) earphones successfully transcended Original Wireless Solution (OWS) project parameters, broadening the customer demographic portfolio, with sales volumes meteorically ascending from approximately 500,000 pairs in 2019 to 6.87 million pairs in 2024.

## 2 Research and Development Propels Technological Innovation, Empowering Product Evolution

Through its strategic foresight in AI voice recognition algorithms and microphone array design, Tonly Technology has expeditiously established itself as a collaborative partner with globally renowned industry leaders including Alibaba, ByteDance, Lenovo, Google, and Amazon. This alliance constitutes the quintessential foundation for the Company's market position consolidation and product diversification stratagem. In the realm of technological innovation, the Company's circumambient aural instrumentation has ascended to the vanguard of industry echelons, propelled by sophisticated advancements including hybrid feedforward-feedback noise attenuation algorithms and accelerated charging modalities. Their True Wireless Stereo earpieces not only incorporate active noise cancellation functionality but also feature 3-Microphone AI uplink communication noise reduction and voice-activated command capabilities. The implementation of Bluetooth LE audio technology facilitates minimal latency, reduced power consumption, and elevated bitrate audio transmission, perpetually expanding the interconnected product architecture. Contemporaneously, the Company's Bluetooth acoustic projection devices incorporate IPX7 professional-grade aquatic resistance and IP6X particulate protection, while non-powered resonance mechanisms generate profound low-frequency acoustic emanations. The soundbar employs Dolby Atmos, DTS:X high-fidelity audio decoding technologies, and spatial audio algorithmic processing to choreograph a transcendental auditory experience.

## 3 Precision Manufacturing Elevates Qualitative Excellence, Optimising Production Capacity Configuration

The Company accords paramount significance to the elevation of product qualitative excellence, strategically establishing research and development epicentres across Huizhou, Shenzhen, Xi'an, and Penang (Malaysia), thereby facilitating the harmonious coalescence of exemplary assets and constructing an erudite interconnected industrial ecosystem. The Company assiduously recruits superlative industry luminaries while augmenting technological research investments, markedly enhancing proficiency in precision mold engineering and miniaturised electroacoustic methodologies. Through meticulous exploration of potential collaborative ventures with Bay Area clientele in component and accessory domains, the Company synthesises precision manufacturing, high-tolerance molding, and micro-electroacoustic modules into a synergistically efficacious competitive advantage. Concurrently, the Company vigorously propels manufacturing automation and digital metamorphosis initiatives, incorporating sophisticated apparatus and administrative infrastructures while perpetually refining production protocols. Through internal cost optimisation and efficiency amplification measures, the Company comprehensively enhances productive capacity, thus realising the strategic reconfiguration and qualitative advancement of manufacturing deployment.



# TCL Environmental Technology

TCL Environmental Technology, centred upon the strategic positioning of “focusing on resource recycling, and providing comprehensive environmental services”, perseveres in sustaining the developmental philosophy of ecological sustainability, carbon minimisation, and regenerative cyclicality. The Company incessantly cultivates technological innovations, refines administrative protocols, and propels verdant, superlative industrial progression. In 2024, TCL Environmental has assiduously sought novel opportunities amidst adversity and pioneered innovative paradigms within transformative circumstances. Anchoring its aspirations upon sectoral pre-eminence, the Company has persistently advanced business transformation, achieving dual augmentation in receivables and profitability. The revenue attained CNY3.16 billion, representing a year-on-year increase of 33.5%, whilst net profit reached CNY1.1 billion, demonstrating a year-on-year enhancement of 20.2%.

## 1 Fortification of Intrinsic Dynamism: Propelling Operational Endeavours toward Unprecedented Altitudinal Echelons

The Electronic and Electrical Circular Operations have meticulously exploited regulatory conjunctures, fortifying infrastructural competencies whilst concurrently amplifying operational magnitude. The avant-grade Shantou novel facility has commenced production, propelling comprehensive disassembly credentials to the decamillionary stratum. During the reporting period, four additional recovery repositories were established in strategic locales including Zhongshan, Dongguan, and Jinan, culminating in eight self-operated recovery repositories. Autonomous recovery capacity has reached 500,000 sets annually, with recovery volume exhibiting a year-on-year increase of 35%. The multifarious recuperative conduit architecture has efficaciously inaugurated affiliations with paramount industrial clientele. The Hazardous Waste Resource Utilisation Operations have continuously recalibrated their operational configuration, expediting efficiency improvements. The Huanggang facility has transmuted from deficit to profitability, with regional competitive prowess markedly amplified. Therein, Sichuan Environmental Science achieved an annual collection and transportation volume of 50,000 tonnes, implementing eight equipment modifications. Huanggang Environmental Science realised respective increases of 41% and 46% in annual collection, transportation, and processing volumes. The Novel Materials and General Solid Waste Circular Operations have consistently and proactively explored diversified products and services, vigorously advancing the industrialisation process of environmentally sustainable novel materials, progressively constructing differentiated competitive advantages. During the reporting period, 144,000 tonnes of silicon sludge were securely stored and transported, with silicon sludge disposal channels expanding from one to seven, enhancing service response efficiency and elevating product negotiation capabilities. The Comprehensive Environmental Services Operations successfully penetrated preeminent sectoral clientele, with annual wastewater operational processing volume reaching 27.78 million, representing a thirteenfold comparative annual increase, achieving dual income and profit doubling whilst inaugurating a novel “overseas expansion” trajectory.

## 2 Transformative Technological Enablement: A Pronounced Augmentation in Operational Excellence

The electronics and electrical appliance recycling operations employ refined dismantling and automated sorting technologies, resulting in a 7% reduction in variable costs per unit; the proportion of multi-skilled operatives has increased from 34% to 65%, augmenting flexible production capabilities; the Hazardous Waste Resource Utilisation Operations have attained heightened efficiency through diverse interventions, including process refinements in copper-containing etching solution production lines, enhanced recovery rates of solvent pre-distillates, resourceful application of miscellaneous solvents, and the strategic transformation of secondary waste management from mere harmless disposal to comprehensive resource utilisation. The New Materials and General Solid Waste Recycling Operations have commenced the establishment of a regenerated silicon materials facility, culminating in the technological advancement of reclaimed silicon micropowder, reclaimed glass powder, and reclaimed carbon fibre powder. The silicon micropowder’s qualitative attributes conform to the GB/T 26052-2010 electronic-grade silicon micropowder standard, progressing to the phase of market dissemination and client validation. The operations have realised comprehensive autonomous acquisition and transition of silicon sludge, instituting a digitalised safety collection, storage, conveyance, and governance system for silicon sludge, thus mitigating supply chain vulnerabilities. The Environmental Comprehensive Services Operations’ autonomous intelligent system has attained medicament dispensation precision surpassing 95%, with temporal responsiveness achieving second-level efficacy; medicament expenditure and human resource costs have diminished by in excess of 15%. The fluorine-bearing sludge reduction methodology has concluded preliminary experimentation, realising sludge diminution exceeding 20%.

## 3 Amplification of Market Dominion and Unprecedented Advancements in Strategic Endeavours

The Tianjin Aobo facility’s high-calibre PCR plastics initiative, with an annual production capacity of 30,000 tonnes, has commenced operations, employing sophisticated processing methodologies and meticulous craftsmanship to rejuvenate discarded household appliance plastics. The establishment has forged intimate collaborative alliances with industry vanguards such as Haier and TotalEnergies, thus facilitating prodigious merchandise dissemination. The hazardous waste reclamation venture has experienced rapid capacity expansion, attaining superlative market ascendancy within the Chuan-Yu provinces and achieving paramount comprehensive processing and disposal magnitude in across the Hubei realm. The Sichuan subsidiary has successfully ingratiated itself with pivotal clientele, encompassing Southwest Aluminium and Zhongfu, whilst concurrently expanding its purview to encompass esteemed patrons within the Xinjiang region, such as Tianshan Aluminium and New Hope, thereby further consolidating market leadership.

# TCL Industrial Park

In the face of capricious global economic oscillations and an increasingly inhospitable market milieu, TCL Industrial Park has executed a judicious reconfiguration of its organisational framework and strategic direction. The Company has instituted a comprehensive moratorium on capital deployment to circumvent primary pecuniary hazards, whilst concurrently implementing nuanced, adaptive methodologies to preserve the healthy business performance across its diverse commercial portfolio. Through enhanced platform empowerment of business activities, heightened commercial perspicacity, and client-oriented cognitive frameworks, TCL Industrial Park furnishes its industrial clientele with services of consummate professionalism and superlative quality. These endeavours fortify the robust progression of commercial office domains, industrial logistical networks, property investment ventures, and construction governance operations. Year 2024 witnessed the attainment of a most commendable financial performance, with the Company securing a turnover of CNY950 million, denoting a year-on-year increase of 1.7%, alongside net profits of CNY290 million, exemplifying a year-on-year growth of 5.0%.

## 1 Refine Leasing Strategies and Elevate Service Excellence to Revitalise Commercial Office Asset Portfolios

TCL Industrial Park has consistently refined its operational management within the commercial office sector, adopting a series of strategic measures including agile adjustments to leasing policies, the establishment of efficient decision-making mechanisms, and the provision of value-added services to enhance client retention. These efforts have sustained an average occupancy rate exceeding 90% across its mature leasing projects, surpassing competitors in the same region. Under its stewardship, the flagship TCL International E-City, delivers an open, panoramic, and interactive office environment tailored to the needs of nearly 30,000 employees across 400 enterprises spanning four high-tech sectors: electronic information, internet communication technology, software development, and AI. Furthermore, the establishment of an Entrepreneurs’ Club has fostered a dynamic ecosystem characterised by resource sharing, value co-creation, and synergistics cluster benefits. In recognition of these achievements, the park was distinguished with the accolade of “Shenzhen Premier Software Park” within the year.

## 2 Halting Investments to Optimise Inventory and Fortify Risk Management in Industrial Logistics Operations

Amid intensifying competition and contracting demand, TCL Industrial Park’s industrial logistics division has demonstrated astute risk stewardship by halting investments and inventory clearance. Employing a judicious approach — pausing capital commitments to new ventures and deferring the second phase of the Huicheng project — the Zhongkai and Hefei projects attained full occupancy, while the Guangming project maintained an average occupancy rate of 90%. The inaugural phase of the Huicheng project recorded a remarkable 74% year-on-year surge in inventory clearance, with standalone properties accounting for approximately 31% of the total market volume. The Huanggang project secured an unrivalled 100% market share in sales. Through rigorous cost-containment and efficiency-optimising initiatives, project expenditures across all operations were curtailed by an impressive 4% to 6%.

## 3 Preserving Exemplary Quality Whilst Mastering Cost Efficiency, Delivering Distinguished Outcomes in Construction Management Operations

In construction management, TCL Industrial Park has championed the enhancement of project quality and the rigorous enforcement of safe construction practices, while concurrently driving initiatives to curtail costs and elevate operational efficiency. Through astute strategies — including the refinement of design proposals, the adoption of competitive commercial tendering, and the centralisation of procurement processes, the aggregate expenditures across all construction management endeavours to date has been reduced by an impressive sum exceeding CNY380 million against initial budgetary projections. In 2024, the Company made significant strides in new business development and international expansion, marked by the successful execution of its first overseas venture — the Maojia Vietnam Project, alongside the completion of two market-oriented consultancy management assignments. These accomplishments, underpinned by professional service delivery, garnered effusive acclaim from external clients and culminated in the prestigious conferment of the “Safety Support Award” by the construction management company.

## 4 Eliminate Inventory and Fortify Risk Management to Expedite Capital Re-creation in Property Investment Portfolios

The property investment division adeptly seized advantageous policy opportunities, resolutely implementing a robust inventory liquidation strategy to bolster risk mitigation, exceeding annual sales objectives for development projects and significantly easing financial pressures. During the reporting period, the fifth phase of TCL International E-City secured the execution of “Regulatory Agreement”, achieving commendable progress in project approvals and reporting.



# Getech

Getech possesses a profound manufacturing heritage, strategically incubated by TCL as a provider of industrial intelligence solutions. Anchored by three pillars – AI, industrial software, and intelligent equipment, the Company furnishes end-to-end industrial intelligence resolutions, encompassing manufacturing execution, equipment automation, quality management, energy and carbon management, and logistics automation, to clientele within the pan-semiconductor and advanced manufacturing sectors. Amidst the pervasive headwinds confronting China's software sector in 2024, Getech has maintained unwavering dedication to customer-centricity, systematically elevating both product excellence and implementation proficiency while concurrently amplifying its distinctive software-hardware integration advantages to broaden its comprehensive solution compendium. The successful execution and delivery of more than one thousand projects during the reporting year has substantiated the Company's trajectory of progressive market position enhancement and competitive differentiation.

## 1 Cementing Industry Leadership across the Pan-Semiconductor Industrial Ecosystem to Attain Unrivalled Market Ascendancy

As the vanguard of intelligent transformation within the semiconductor manufacturing industry, Getech has achieved substantial market penetration in both front-end and back-end CIM solutions during the reporting year. The Company successfully deployed multiple product lines across several leading domestic Fabs and delivered dozens of projects for leading manufacturers both domestically and internationally, earning widespread customer acclaim for its exceptional planning acumen and delivery proficiency. In 2024, orchestrated concurrent strategic corporate acquisitions of Wonder Inc. ("Wonder") and Jiangsu Ruixinku Intelligent Technology Co., Ltd. ("Ruixinku Intelligent"), thereby establishing itself as the sole domestic enterprise of distinction possessing integrated CIM+AMHS capabilities. The core OHT and STK technological portfolios are expeditiously advancing towards parity with global benchmarks, with successful implementation and adoption by multiple leading customers. Bolstered by a formidable repository of intellectual capital, the collective shall persist in its collaborative endeavours alongside the semiconductor industry chain to catalyse technological progression and furnish robust underpinning for indigenous technological supremacy and progression.

## 2 Advancement of Superior Manufacturing Prowess whilst Cultivating Distinguished Strategic Alliances with Eminent Industry Clientele

Drawing upon an extensive portfolio of operational acumen and sophisticated hardware-software technological integration amassed throughout semiconductor manufacturing spheres, Getech has cultivated highly competitive solutions for premier manufacturing environments, encompassing photovoltaic systems, lithium battery technologies, and 3C electronics. The Company has forged strategic alliances with preeminent industry leaders to orchestrate the implementation of exemplary industrial AI deployments. Amongst the Company's most distinguished accomplishments are the provision of bespoke consultancy services to photovoltaic renewable energy enterprises, facilitating the conceptualisation and deployment of sophisticated monitoring and operational analytics platforms. Additionally, Getech has empowered a unicorn-status lithium battery enterprise to establish an innovative energy intelligence and carbon management ecosystem. In recognition of their exceptional contributions to lithium battery production advancement, the Company was honoured with the prestigious "Application Innovation Award" at the 22nd China Automation and Digitalisation Annual Awards. The Company has cultivated enduring commercial relationships and secured recurring engagements with numerous foremost advanced manufacturing enterprises. Looking towards future horizons, Getech remains steadfastly committed to addressing the evolving requirements of its distinguished clientele, whilst simultaneously pursuing innovative artificial intelligence applications across both domestic and international markets, thereby catalysing the acceleration of contemporary industrial transformation initiatives.

## 3 Architecting the Transcendent Metamorphosis of Industrial Software Ecosystems to Accelerate the Genesis of Unparalleled Productive Supremacy

Getech steadfastly adheres to its integrated hardware-software paradigm, underpinned by AI-driven approaches, whilst assiduously investigating industrial AI innovation prospects that resolve paramount client exigencies. During the reporting period, the Company has unveiled a constellation of industry-preeminent intelligent industrial applications that elegantly amalgamate avant-garde AI technologies with industrial mechanism archetypes, yielding markedly superior efficacy via conventional software solutions across equipment malfunction diagnostics, anomaly identification, and thermal regulatory optimisation contexts. The Company has architected a comprehensive Semiconductor CIM Intelligent Hub Platform from an all-encompassing vantage point, enabling both Getech and tertiary industrial software providers to undergo intelligent transformation. During the reporting period, Getech's pioneering advancements in industrial AI have elicited extensive sectoral approbation, garnering prestigious accolades from authoritative institutions, including recognition as an IDC China Industrial AI Comprehensive Solutions Provider and enumeration amongst the Ten Most Exemplary Enterprises for Industrial Large-Scale Cognitive Models. In collaboration with TCL CSOT and TCL Research Institute consortia, Getech participated in the Fourth Industrial Software Innovation Application Competition (Artificial Intelligence+ classification), procuring the premier accolade for Industrial AI Application Scenario Innovation. The autonomously cultivated Industrial Application Intelligence Platform has been distinguished by the Ministry of Industry and Information Technology's "Cross-Industry and Cross-Domain" Industrial Internet Platform designation for three successive years.

# TCL Financial Service

TCL Financial Service, leverages its robust industrial ecosystem, engages in distinguished collaborations with preeminent financial institutions, most notably established banking enterprises, to proffer bespoke and comprehensive monetary services to small and medium-sized enterprises and domestic establishments ensconced within the industrial ecosystem. Through its sagacious dedication to supply chain financial technological endeavours, the Company has significantly strengthened its market prominence whilst assiduously recalibrating the constitution of its financial asset portfolio with consummate precision. In 2024, TCL Financial Service achieved core business revenue of CNY930 million, maintaining an unwavering performance trajectory when juxtaposed with the preceding annual period.

## 1 Advanced Digital Supply Chain Fintech Solutions, Catalysing Exemplary Industrial Development

The JDH platform, operating under the aegis of TCL, exemplifies the fintech ethos of "digitally propelled innovation, intelligent solutions for societal benefit, sustainable low-carbon practices, and equitable inclusivity". By integrating state-of-the-art digital technologies such as blockchain, big data analytics, and the IoT into tailored financing solutions, the platform transforms transactional data into a digitized data flows, facilitating seamless interconnectivity among core enterprises, suppliers, and financial institutions. Since its establishment, JDH has extended its sophisticated reach across 32 provincial administrative regions of China, catering to a broad spectrum of pivotal industries, including electronics manufacturing, construction engineering, new energy materials, electrical power generation, and pharmaceuticals. Serving over 100,000 enterprises with unparalleled efficiency and accessibility, the platform has amassed a cumulative transaction volume surpassing CNY1.8 trillion, cementing its stature as a vanguard in the sector. Of particular note is the exemplary performance of its accounts receivable debt certificate offering (Jin Dan), which has witnessed a remarkable 59.0% surge in financing balances since the year's outset. By championing transparent transactional ecosystems and reducing financing barriers, TCL Financial Service has emerged as a linchpin in fostering regional economic vitality and propelling the paradigm of inclusive finance to new heights of excellence.

## 2 Optimising Financial Business Structures, Enhancing Risk Management Proficiency

TCL Financial Service has decisively spearheaded the recalibration and evolution of its financial operations, sharpening its acumen in large-scale asset allocation and placing strategic emphasis on high-potential sectors, including industrial and commercial energy storage, instalment financing for automotive and agricultural insurance, and pharmaceutical distribution. Through relentless innovation in financial products and services, the Company has adeptly nurtured a versatile portfolio of solutions, notably encompassing financing tailored for individual auto insurance policies. In response to market dynamics, TCL Financial Service has refined its inclusive finance product strategy, markedly reducing the scope of its inclusive commercial lending while increasing the share of low-risk, premium-quality scenario-driven operations from 15% to an impressive excess of 30%. Building upon this structural realignment, the Company has amplified its risk management efforts, heightening efforts in post-loan recovery mechanisms and optimising asset disposal protocols, exercising rigorous oversight of asset quality, and effectively mitigating NPL ratio.

## 3 Spearheading the Advancement of Green Finance, Catalysing the Attainment of Dual Carbon Ambitions

In alignment with China's national "dual carbon" objectives, TCL Financial Service has emerged as a vanguard in the promotion of green finance. The Company has seamlessly integrated green finance principles across its operational spectrum, forging strategic alliances with banking institutions and enterprises to unveil pioneering products such as Green Jin Dan, Green Carbon Chain Link, and Green Supply Chain Financing. These innovations herald the advent of industry-leading paradigms in sustainable finance. Through its subsidiary, HengCheng Credit, which oversees a diversified product ecosystem encompassing credit ratings, tendering assessments, and bespoke evaluations, TCL has introduced an ESG evaluation service, fortifying enterprises' capacity for sustainable growth through environmentally attuned strategies. Moreover, TCL Financing Leasing has endorsed the "Greater Bay Area Green Financing Leasing Development Initiative," providing comprehensive financing support for critical sectors such as distributed photovoltaics. This concerted effort not only propels the evolution of an ecological Greater Bay Area but also significantly advances the realisation of the "dual carbon" objectives.

## 5.3 Research and Innovation



In 2024, TCL Industries continued to advance its technology strategy, maintaining a strong focus on display quality, intelligence, and green energy efficiency. The Company consistently drove research and innovation to enhance the competitiveness of its smart devices products and technologies. Key initiatives centred on delivering exceptional visual experiences, promoting healthy lifestyles, supporting home energy management, and developing intelligent interaction and service solutions. At the same time, the Company reinforced its four core technology platforms—comprising AI, imaging, software engineering, and IoT and cloud services—while actively exploring emerging market opportunities within these domains.

TCL Industries currently operates 24 research and development centres across the globe, with research spanning display technology, AI, communications, health, and intelligent manufacturing. Furthermore, the Company has established seven joint laboratories through strategic alliances with preeminent external research institutions, pursuing advancements in critical domains including pi quality and colour performance, eye-care displays, materials chemistry, cloud gaming, food preservation, and variable frequency technologies. The Company's financial commitment to research and development initiatives in 2024 reached CNY 4.37 billion.

### Advancing Display Excellence, Comprehensive Elevation of Full-Sized Display Technologies

#### 1 TCL Large-Sized Display: Reinforcing First-Mover Advantage in Mini LED Technology through a Multi-Dimensional Quality-Led Approach

##### · Maintaining Technological Leadership through Comprehensive Audio-Visual Control

TCL Industries continued to enhance its end-to-end Mini LED performance — spanning from backlight to image rendering—to sustain its competitive edge in precision dimming. Its advanced All-domain Halo Control Technology integrates next-generation fusion light engines, Super Condense, and Super Micro-OD designs, enabling deep-level optimisation of light control and delivering sharper, more refined image quality. The newly developed Dynamic Lighting Bionic Algorithm elevates SDR visuals closer to HDR quality. Combined with zero-latency display capabilities and the award-winning bi-directional 23-bit dimming algorithm, working in concert with CSOT's HVA panels, this significantly enhances overall picture quality. For audio quality, TCL Industries has introduced Hi-END acoustic design concepts for the first time, collaborating with Bang & Olufsen to create a lossless, true-to-source audio experience. These innovations have earned TCL Industries three major accolades from the European Imaging and Sound Association (EISA) for 2024-2025.

##### · Pioneering Foundational Technological Advancement through Systematic Innovation Genesis

TCL Industries' proprietary Fusion Light Engine delivers an exceptional 53.8% luminance enhancement coupled with 10% improvement in energy efficiency, manifesting unprecedented contrast definition and dimensional visual richness. The fourth-generation Collimating Micro-Lens Technology, engineered through advanced HTV flexible optical substrates and cutting-edge micro-nano 3D moulding techniques, enables precise light shaping. This innovation enhances light uniformity by 86%, improves halo control by 67%, and an eightfold amplification

in systemic stability parameters. At the technological nexus of TCL Industries' Halo Control Technology resides a sophisticated intelligent luminance algorithm that instantaneously perceives and interprets on-screen content vectors, enabling hyper-precise adaptive image refinement. The Dynamic Lighting Bionic Algorithm seamlessly integrates characteristics of human perceptual cognition with granular pixel-level analytical processing to orchestrate optimised detail rendering, effectively transcending conventional SDR performance boundaries to approach HDR levels. TCL's 115-inch ultra-large panel technology addresses evolving consumer preferences for immersive viewing experiences, while the 163-inch Micro LED display has successfully transitioned to mass production and commercial delivery.

##### · Fortify Picture Quality Engine to Establish Unparalleled Visual Excellence

TCL Industries harnesses avant-grade technologies—including light and shadow control algorithms, vibrant quantum dot technology, and AI image enhancement—to deliver superior contrast, high resolution, and an expansive colour gamut. These transformative innovations form the cornerstone of its picture quality leadership. The Company has received prestigious TÜV Rheinland Eye Comfort Certification and Pantone Colour Validation, thereby ensuring a premium viewing experience that is both visually immersive and health-conscious.



##### · Driving Breakthroughs in Emerging Segments through Technological Innovation

TCL Industries integrates cutting-edge technologies into its display products to deliver best-in-class user experiences. The flagship Fast HVA panels from TCL CSOT facilitates superlative temporal resolution via 165Hz refresh rate optimisation and ultra-fast 1ms response dynamics. Combined with 2,304-zone Mini LED precision dimming and wide-colour-gamut quantum dot technology, these displays offer outstanding brightness, vivid colours, and exceptional colour accuracy ( $\Delta E < 2$ ). Compatibility with AMD FreeSync Premium and NVIDIA G-SYNC minimises screen tearing and stutter, delivering an ultra-smooth visual experience.

TCL Industries' soundbar exemplify acoustic innovation through the integration of proprietary T-Chord acoustic technology and comprehensive Dolby Atmos spatial audio compatibility, delivering an immersive three-dimensional soundscape that transcends conventional audio boundaries. The 100W racetrack-style structure and dual horn-style echo chamber manifests audio reproduction characterised by both commanding dynamic range and pristine tonal accuracy.

##### · Definitive Industry Standards in Mini LED Technology Advancement While Cultivating a Sophisticated Innovation Ecosystem

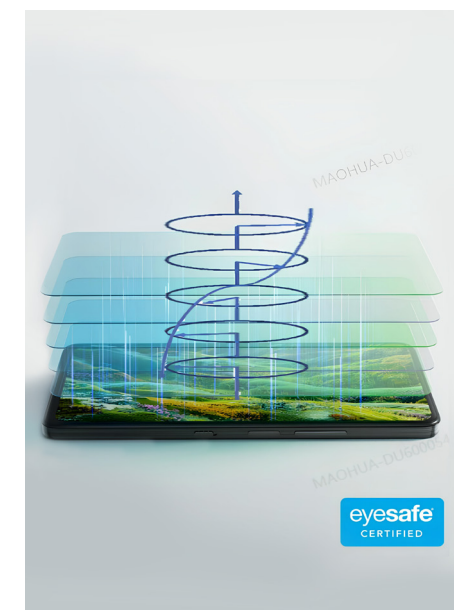
By the end of 2024, the Company had contributed to the development or revision of 10 national standards, 20 industry standards, 15 recommended technical specifications, and 6 UHD Alliance standards, whilst continuing to serve as a driving force in advancing technology and standards across its key domains.

#### 2 Small-and-Medium-Sized Display: Advancing Eye-Care Display Innovation with a Breakthrough in NXTPAPER 4.0 Technology

The latest generation of NXTPAPER 4.0 focuses on substantially enhancing display clarity through the implementation of advanced nano-lithographic anti-glare cover glass technology, effectively resolving the common flicker and reflection issues found in comparable products, delivering sharper text, crisper visuals, and a more refined overall viewing experience. NXTPAPER 4.0 also sets a new industry standard in durability. Its upgraded surface treatment significantly improves scratch resistance, abrasion tolerance, and mechanical strength, eliminating the need for protective films. The device is engineered to withstand drops and scratches, alleviating user concerns about daily wear and tear when used without a screen protector.

In terms of handwriting capability, NXTPAPER 4.0 incorporates TCL's proprietary stroke prediction algorithm, further optimizing real-time input responsiveness. Linearity and latency have been significantly improved across the entire interaction chain, positioning the writing experience at the forefront of the industry. The combination of paper-like visual quality and intelligent stylus functionality delivers an exceptional, natural writing experience on smart devices.

Moreover, NXTPAPER 4.0 employs hardware-level low blue light technology, overcoming the yellow-tinted side effects typically associated with software-based eye protection solutions. By leveraging advanced backlighting and circular polarization light technology, the screen emits light that closely resembles natural daylight—providing true-to-life colours while protecting users' visual health. NXTPAPER 4.0 sets a new benchmark for next-generation eye-care displays.





### 3 Ultra-Compact Displays: Strategic Ascension in Smart Glasses Market Leadership with Concurrent Reinforcement of AR+AI Technological Foundation

The Firefly Light Engine, based on x-cube colour mixing, is the world's smallest mass-producible full-colour MicroLED light engine, with an optical module volume of just 0.36cc. Leveraging embossed grating-etched waveguide technology, it delivers a peak brightness of 5,000 nits—significantly enhancing visibility and usability in outdoor environments.

The Peacock Display Engine, designed with a folded optical path and multi-layer high-precision AR coating, delivers superior image purity. Its ultra-large eyebox design accommodates up to 93% of interpupillary distance ranges, offering a consistently sharp, cinema-like visual experience across a wide user base.

TCL's proprietary SLAM (Simultaneous Localisation and Mapping) algorithm, combined with multi-sensor fusion and virtual-real calibration technologies, achieves binocular alignment precision within  $\leq 1$  pixel and 3D spatial display error of  $\leq 3\%$ . For instance, at an interpupillary distance of 64 mm, the perceived depth error at a 4-metre viewing distance is less than or equal to 12 cm—delivering a highly immersive augmented reality experience.

Further enhancing user interaction, TCL's multimodal human-machine interface, augmented by advanced large-scale AI models, supports intelligent features such as intent recognition, real-time voice-to-text translation, and contextual tool invocation. System performance benchmarks indicate response latency optimisation to 1.3 seconds with recognition accuracy rates achieving 98% reliability thresholds. The platform seamlessly integrates an expanded feature ecosystem including Explore Vision 2.0 and AI News Podcast capabilities, creating a holistic enhancement of the user interaction paradigm across all engagement modalities.

## Continual Innovation in Intelligent Scenarios and Proactive Exploration of Embodied AI Applications

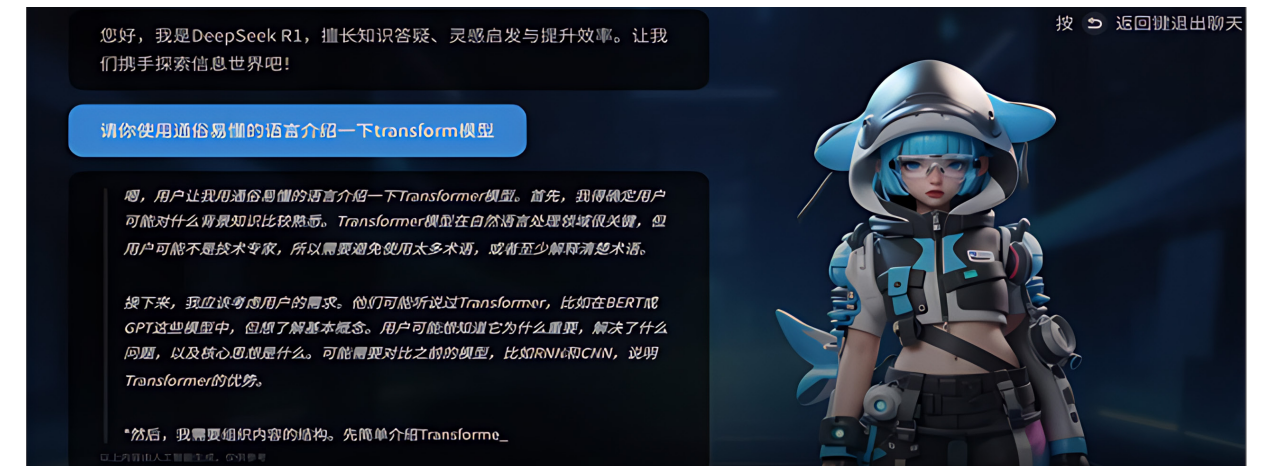
### 1 Empowering Smart Devices and Scenario-Based Experiences through AI Technological Integration

TCL Industries has integrated a broad portfolio of smart devices products with DeepSeek through its proprietary TCL AI platform. TCL Smart Screens have established deep collaboration in multimodal understanding, knowledge processing, and content generation. This integration has substantially enhanced the audio-visual quality, human-machine interaction, and intelligent content capabilities of its smart TVs. TCL has also developed 16 scenario-based intelligent agents tailored to diverse usage contexts, continuously optimising functionalities to deliver personalised, intuitive, and intelligent experiences. Concurrently, the TCL AI model also empowers TCL's air conditioners, enhancing voice interaction, predictive fault diagnostics, and risk detection. By combining environmental and equipment sensing with adaptive learning, the system enables intelligent regulation and optimises after-sales service efficiency—supporting the creation of a smart, healthy air ecosystem.



In the rapidly evolving landscape of AI, TCL Industries has launched the Turing AIGC Service Platform, leveraging the Graph RAG technology. This platform orchestrates a comprehensive intelligence repository encompassing over 1,600 product datasets, installation diagrams, and tutorial videos, and provides an end-to-end solution from data processing to knowledge graph modelling. By leveraging agent-based technologies and chain-of-thought AI tools, TCL Industries has implemented a transformative research and development infrastructure that fundamentally recalibrates operational workflows and delivers measurable productivity enhancement across the innovation pipeline. The platform facilitates the rapid deployment of customised AI assistants to address diverse user requirements and actively explores multi-agent collaboration models to optimise enterprise workflows and unlock untapped operational value from AI.

In the IoT domain, TCL Industries has introduced features such as seamless switching between online and offline voice modes, multilingual interaction, and intelligent application interconnectivity, collectively elevating device interoperability. Empowered by large-scale AI models, TCL Industries delivers holistic smart health ecosystem solutions that support device access management, user engagement, and content operations for a global network of over 150 million devices. These capabilities enable users to adopt healthier lifestyles while embedding IoT technology more deeply into everyday living.



### 2 Imaging Technology Platform Achieves Multi-Dimensional Breakthroughs, Propelling Superior Developmental Trajectories Through Pioneering Technological Innovation Excellence

TCL Industries has architected a comprehensive end-to-end technological development system in imaging, standardising strategic protocols and modularisation frameworks that facilitate an exceptional 72.6% cross-category technology redeployment coefficient, substantially elevating imaging fidelity and experiential parameters across device portfolios. The Company has successfully augmented the RayNeo "Falcon Imaging System" through sophisticated multi-device algorithmic synchronisation and imaging pathway optimisation, effectively addressing diverse utilisation scenarios spanning athletic performance capture and lifestyle documentation, garnering substantial marketplace commendation. The innovative TCL AiMe residential robotics solution harnesses advanced optical recognition capabilities to facilitate intelligent subject identification, content capture, and post-processing functionality, establishing an integrated ecosystem for comprehensive domestic imaging documentation.

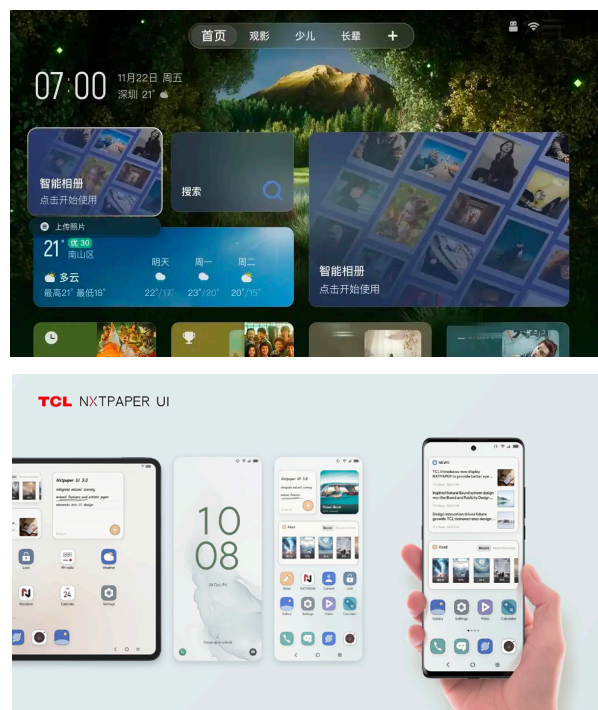




### 3 Software Platform Focuses on User Value, Continuously Building and Enhancing Core Scenario Experiences Through AI Integration

Smart Screens focus on audio-visual gaming, upgraded with the launch of LINGKONG UI 3.0, featuring industry-first self-developed Media Center Poster Wall, comprehensive audio-video decoding, leading NAS ultra-high bitrate (130Mbps) connectivity, adaptive audio-visual modes and auxiliary tools compatible with three major gaming consoles. Ultimate performance optimisations have been realised, boosting application launch and page loading speeds by 20%.

Mobile phones have been further reinforced through the foundation of "speed-stability-efficiency" paradigm, leveraging NXTURBO acceleration frameworks and advanced memory expansion protocols to deliver a 30% performance enhancement across critical user interactions including image rendering and application initialisation sequences. The comprehensive power management ecosystem — integrating intelligent energy consumption algorithms and battery life optimisation solutions — has yielded a significant 13.5% reduction in energy conservation mode power utilisation metrics while simultaneously extending overall battery lifecycle parameters by 15%. Experiential differentiation within digital reading scenarios has been redefined through the strategic implementation of advanced artificial intelligence capability matrices and the proprietary NXTPAPER interface ecosystem architecture. The tablet portfolio demonstrates exceptional productivity augmentation through AI-powered transcription-to-summary conversion utilities and refined handwriting recognition systems, complemented by revolutionary power management technologies delivering unprecedented 53-day standby capabilities — substantially elevating user productivity coefficients and interaction satisfaction metrics.



### 4 Driving the Development of Interconnectivity Standards and Ecosystem Capabilities on a Global Scale

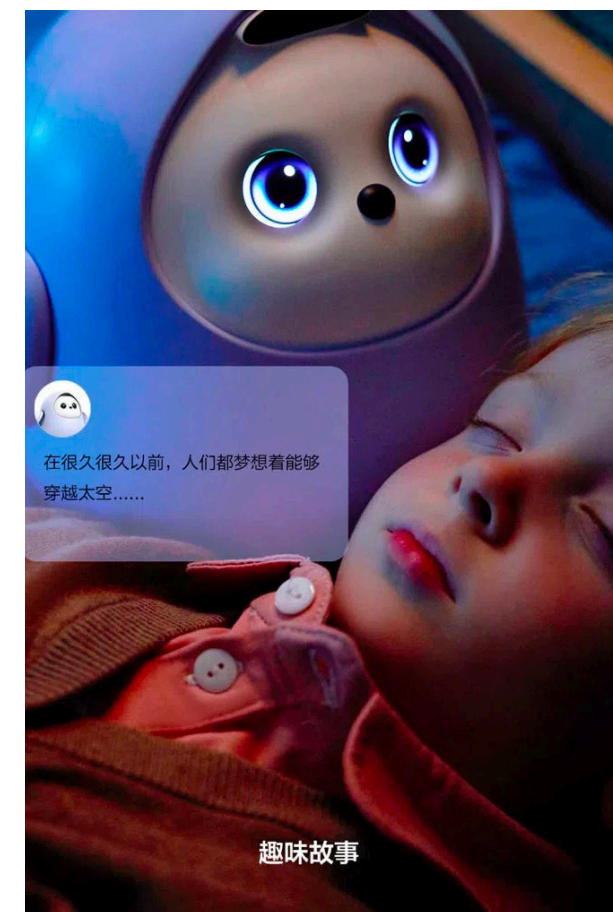
As a key member of several leading standards organisations—including JVET, 3GPP, IEEE, SparkLink, OLA, and Matter—TCL Industries is at the forefront of research and standardisation endeavours in next-generation technologies. The Company focuses on enabling fully connected smart home ecosystems and intelligent spatial computing, with ongoing contributions in areas such as 6G communications, short-range Wi-Fi 8, and the integration of AIGC with 6G and Wi-Fi 8 protocols. As a global frontrunner in video display devices, TCL also plays a pivotal role in shaping the future of video encoding and decoding. Within authoritative organisations such as JVET and AVS, TCL is spearheading the formulation of comprehensive technical frameworks governing ultra HD video, immersive video formats, and HDR UHD test sequences—driving the evolution of next-generation video standards. TCL's contributions have been recognised with multiple Outstanding Contribution Awards from IEEE, SparkLink, and CCSA. Several of the Company's proprietary technologies have been adopted into emerging global standards, and TCL has secured a position among the world's top 50 holders of standard-essential patents (SEPs). Looking ahead, TCL will continue collaborating with its ecosystem partners to shape 3GPP, IEEE, and JVBT standards, drawing on its practical technical expertise to drive global interconnectivity and foster the development of intelligent scenario-based applications.



### 5 Advancing Next-Generation Smart Devices Technologies

TCL Industries continues to pioneer innovation in smart devices technologies, underpinned by its deep expertise in multimodal AI interaction, advanced display technology, and complex system integration. Leveraging these core strengths, the Company has successfully developed TCL AiMe, a modular AI companion robot.

AiMe incorporates advanced bionic actuation technology to enable highly precise facial expression control and human-like motion interaction. Integrated with an intelligent voice system and a multimodal interaction engine, AiMe establishes a closed-loop intelligent framework encompassing autonomous perception, decision-making, and execution. Built on a modular, reconfigurable architecture, AiMe is equipped with environmental sensing and autonomous navigation capabilities, enabling accurate obstacle avoidance, dynamic path planning, and sustained operation across multiple household scenarios. The system delivers highly flexible, customisable smart services—setting a new benchmark in intelligent robotics and redefining user experience in the smart home ecosystem.





## Significant R&D Progress in Healthy Living and Energy Conservation across AC, Refrigerators, and Washing Machines

### 1 TCL Air Conditioning: Internationally Leading Technologies in AI-Powered Energy-Saving and Deep-Sleep Fresh Air Systems



Empowered by nine internationally leading core technologies, TCL Air Conditioner has precisely identified the critical objective environmental factors that affect sleep quality, leading to the development of three transformative smart wellness capabilities: AI Sleep, AI Voice, and AI Energy Saving. TCL continues to introduce breakthrough products through its FreshIN series of air conditioners—positioned as a new product category in the market—designed to deliver a truly intelligent and health-focused sleep experience for users.

The flagship TCL FreshIN C7 features a world-first millimetre-wave radar sensing technology that monitors sleep stages and micro-body movements, adjusting ambient temperature to enhance restfulness and increasing deep sleep duration by up to 25%. With extended usage, the system's built-in genetic learning algorithm continuously adapts to individual user habits, generating personalised sleep temperature curves to meet diverse and evolving needs.

In the realm of AI voice technology, TCL FreshIN C7 incorporates TCL's proprietary AI large-scale voice model, enhanced through DeepSeek integration. The combination has enabled the development of an AI voice recognition system capable of processing over one million distinct command variations. Supporting L5-level voice interaction, it allows users to play music, check weather updates, listen to news, and even receive cooking guidance—delivering a seamless and intelligent home experience.

As the originator of AI-powered energy-saving air conditioners, TCL has also introduced AI Energy Saving 2.0 technology, which achieves energy efficiency levels exceeding China's highest standards, with energy savings of up to 40%.

### 2 TCL Washing Machines — Driving Innovation through Super Drums, Advanced Cleaning Technologies, Intelligent Features, and High Performance



The Super Drum sets a new industry benchmark with the largest drum diameter in its class, providing garments with significantly more room to move freely. This enables more effective tumbling and agitation, returning to the fundamental principles of laundry care and ensuring a deeper, more thorough clean. The Superior Clean technology focuses on TCL's All-Area Anti-Contamination 2.0 system, an industry-leading wash performance ratio of 1.2, and targeted stain removal for everyday use. Powered by five pollution-free technologies, 6D variable-trajectory washing, a bionic heat absorption model, micro-bubble precision cleaning, and circulating spray systems, TCL delivers a solution that is hygienic, powerful, energy-efficient, and fast — reinforcing its position as a trusted name in home care. In the realm of Smart Technology, TCL has developed its proprietary AI Wash & Dry system, which enables the washing machine to intelligently detect fabric types and automatically adjust detergent dosage, water temperature, and water volume. This one-touch function ensures a personalised, effortless, and highly efficient washing experience. On the High-Performance front, TCL is strategically focused on industry-leading energy efficiency and acoustic performance for diverse global markets. The Company has achieved pre-compliance with the latest EU A-40% energy rating standard and is implementing A-grade noise level performance across its entire product platform.

### 3 TCL Refrigerators — Advancing High-Quality Development through Innovation and Multi-Technology Upgrades

**Pioneering Molecular Magnetic Freshness Technology: Dual International Certifications Underpin Prestigious Special Grand Prize for Technological Innovation**

TCL Refrigerators remains committed to innovation-driven growth, perpetually enhancing product excellence through integrated technological advancements. Focusing on four essential pillars — temperature, humidity, magnetism, and purification — the "Molecular Magnetic Freshness" system delivers a multidimensional, precision-controlled food preservation solution. By applying magnetic field technology to stabilise molecular activity, it transforms disordered water molecules into an ordered state, effectively locking in moisture. Its wraparound soft-air cooling mechanism ensures swift and uniform cooling throughout, maintaining temperature accuracy within  $\pm 0.1^{\circ}\text{C}$  — achieving proper refrigeration without freezing. Leveraging AI-enabled smart connectivity, TCL has created an integrated user experience that splendidly combines family care, health considerations, and emotional wellbeing. From long-lasting freshness for fruits and vegetables to preserving the natural quality of meat without freezing for up to two weeks, the system extends shelf life and maintains nutritional value. It presents an industry-leading solution that rather comprehensively spans all food types, storage zones, and usage scenarios — delivering exceptional freshness, convenience, and quality of life through technological excellence. Its proprietary "Molecular Magnetic Freshness" solution, a testament to proper engineering ingenuity, has earned dual international certifications and was awarded the 2024 Special Prize for Technological Invention by the China General Chamber of Commerce, reinforcing TCL's leadership in next-generation refrigeration technologies.

**-40°C Crystalline Membrane Freshness-Locking Technology: Breaking Industry Barriers and Earning International Recognition**

TCL's -40°C Crystalline Membrane Deep Freezing Technology represents a major technological breakthrough in the refrigeration sector, becoming the first in the industry to adopt R600a refrigerant for ultra-low temperature applications. By integrating multi-stage gradient heat dissipation, three-dimensional airflow circulation, and a thoroughly efficient refrigeration system, this innovation enables freezing temperatures below -40°C and has been successfully applied to TCL's slim built-in refrigerator series. The technology delivers a threefold improvement in cooling speed, reducing the time required to pass through the ice crystal zone to a mere 58 minutes. During this process, a crystalline freshness-locking membrane forms on the surface of food items, stabilising molecular activity, preserving nutrients, and creating a proper barrier against bacterial intrusion. This ensures superb nutrient retention, drip-free defrosting, and a frozen preservation period twice as long as conventional technologies.



**-40°C 深冷锁鲜**

将新鲜定格在一瞬间

这届年轻人的嘴有点挑，平日爱吃的牛排、日料、烤肉料理、火锅食材，一键开启-40°C深冷模式，超低温技术帮助食材快速通过冰晶生成带，锁定食材鲜美瞬间，在家也能享受美味大餐。



### 4 Home Energy Management System (HEMS) — Pioneering "Photovoltaic-Storage-Heat Pump-EV Charging" Integration Ecosystem Establishes the Definitive Paradigm for Energy Storage as the "Quintessential Economically-Optimised Sustainable Domestic Appliance"

HEMS is dedicated to advancing household solar energy storage systems, with a particular emphasis on critical high-load components such as charging stations, air conditioning, and heat pumps. Utilising an advanced cloud-edge collaborative technology architecture, HEMS delivers advanced economic functionalities, including dual energy storage for both heat and electricity, self-consumption capabilities, dynamic pricing arbitrage, and predictive energy storage solutions. These innovations result in substantial reductions in electricity costs for users. Leveraging market analysis and dynamic pricing optimisation strategies, HEMS seamlessly integrates solar energy storage with heat pump and charging station systems. This integration addresses user needs for scheduled hot water and travel, thereby maximising the utilisation of green energy and low-cost electricity, which translates into significant energy savings across the board. The strategic combination of thermal storage in water tanks and battery storage not only enhances energy conversion efficiency but also effectively increases battery capacity. This approach lowers the initial investment required for solar energy systems while simultaneously improving self-consumption rates and photovoltaic energy generation efficiency. Furthermore, HEMS actively collaborates with inverter hardware systems, photovoltaic module systems, operational maintenance solutions, and smart grid technologies. By harnessing robust software-driven services, HEMS amplifies the overall competitiveness of its comprehensive energy solutions, positioning itself as a leader in sustainable energy innovation.

## 5.4 Risk Factors



### ■ Macroeconomic Market Risks

#### Demand Fluctuations

The demand for the Company's smart devices products and services is profoundly shaped by prevailing economic conditions and macroeconomic regulatory frameworks. In the event of significant volatility within the global macroeconomic landscape, resulting in a deceleration of both domestic and international investment and consumption growth, the markets pertinent to the Company's operations would experience a commensurate slowdown. This would inevitably exert an adverse effect on the sales of the Company's related product portfolio, thereby placing discernible pressure on its financial performance. In addressing these challenges, the Company remains unwavering in its commitment to its dual-pronged strategy of "Technological Transformation + Globalisation", with its operational ethos consistently anchored in product excellence. It pursues strategic advancements in mid-to-high-end product segments, places paramount importance on quality assurance, and continually elevates the competitive edge of its offerings. The Company capitalises on its established strengths in select smart devices categories, reinforcing its competitive advantages while proactively identifying and harnessing opportunities for structural enhancement within specific product lines through intensified investment in research and development for innovative solutions. Concurrently, the Company steadfastly advances its globalisation agenda, embracing the vast potential of global markets with resolute determination.

#### Volatility in Production Factor Prices

The raw materials essential to the production and sales of the Company's diverse range of smart devices and core component — principally comprising various grades of copper, steel, plastic, aluminium, and other materials, are subject to procurement costs that are significantly impacted by price fluctuations and risk exposure in the commodity spot market. Furthermore, as a labour-intensive and energy-consuming industry, the home appliance sector is exposed to risks arising from macroeconomic shifts that drive fluctuations in labour, energy, and land prices. Should improvements in energy efficiency and increases in devices product pricing fail to fully offset these production cost variances, the Company's operational performance may experience a degree of impact. To mitigate the cost risks associated with bulk raw material procurement, the Company proactively engages in futures trading for certain commodities. By entering into derivative contracts with matching amounts and durations but opposite directional positions, the Company effectively reduces the uncertainty imposed on its operations by price volatility in the spot market.

#### Supply Chain Risks

The global supply chain is currently undergoing an accelerated restructuring towards regionalisation and resilience, with trade barriers and protectionism steadily escalating supply chain costs and markedly impairing the efficiency of global supply chain networks. Concurrently, unresolved geopolitical tensions worldwide, such as the Red Sea crisis, the Israel-Palestine conflict, and the prolonged Russia-Ukraine war, continue to exert upward pressure on logistics expenses and extend shipping timelines. These factors collectively impose significant strain and challenges on global industrial and supply chains. To address the complexities of the current global supply chain landscape, the Company adheres to the strategy of globalised and diversified supply and implements a "4+N" approach. Through global strategic cooperation, it has deepened and consolidated its partnerships with strategic and key suppliers to expand the in-depth end-to-end development and cooperation. The Company's supply chain remains resilient in the face of the ever-changing markets and fierce competition for customers. To attain long-term healthy growth, the Company is working to create a safe, efficient, agile, green globally integrated and customer-centred supply chain.

### ■ Policy Compliance Risks

Despite the continuous expansion of the Company's business in the PRC and abroad, multiple factors such as evolving international trade policies, increasingly stringent regulatory environments in various countries, and changing international political situations have exposed the Company to more severe trade, compliance, and political risks (including geopolitical risks). These risks primarily manifest as trade policy uncertainties, export control and sanctions compliance challenges, privacy protection and data security concerns, anti-commercial bribery risks, antitrust vulnerabilities, environmental regulatory compliance obligations, and uncertainties stemming from political instability. Additionally, the imposition of anti-dumping measures implemented by certain key countries and regions have significantly fuelled protectionism and trade disputes, further elevating the Company's operational costs.

In response to increasingly stringent and diverse global compliance regulatory requirements, the Company strictly adheres to all applicable laws and has established a comprehensive compliance management system. The organisation, policy, operating mechanism, supervision, assessment, system and culture building, and other activities are carried out under the guidance of the Compliance Management Committee. Some risks have not yet been fully covered by the existing compliance system or are difficult to effectively prevent and control, especially abrupt changes in policies and regulations due to political factors. To manage such risks, on the one hand, TCL Industries works actively with external parties to build a monitoring mechanism for close monitoring of changes in laws, regulations and policies. On the other hand, it adopts a response mechanism for abrupt compliance risks to minimise the negative effects of policy regulation risks on its business.

### ■ Financial Risks

#### Foreign Exchange Risk

Anchored in its "Globalisation" strategy, the Company engages in a wide array of economic activities, including raw material procurement, manufacturing, sales, and investment and financing, across regions such as China, Europe, North America, Latin America, Southeast Asia, and the Middle East and Africa. International operations constitute a pivotal component of the Company's business, with foreign sales revenue accounting for approximately 60% in 2024. Amid significant global exchange rate volatility in 2024, and with the continued expansion of the Company's overseas ventures, assets and liabilities denominated in foreign currencies, as well as foreign currency transactions, are likely to remain exposed to pronounced exchange rate fluctuation risks. In navigating the dynamic foreign exchange market, the Company adheres to the risk-neutral principle, devising hedging strategies aligned with its operational model. It employs a multifaceted approach — primarily leveraging natural hedging, supplemented by derivative instruments such as foreign exchange forwards and swaps, to mitigate the impact of exchange rate volatility on its financial performance, thereby reducing associated uncertainties. Concurrently, the Company actively manages its foreign exchange capital operations, enhancing its capabilities in foreign exchange risk management and capital efficiency. This ensures the preservation of foreign exchange asset value, providing robust support for the Company's stable operations within the global market.

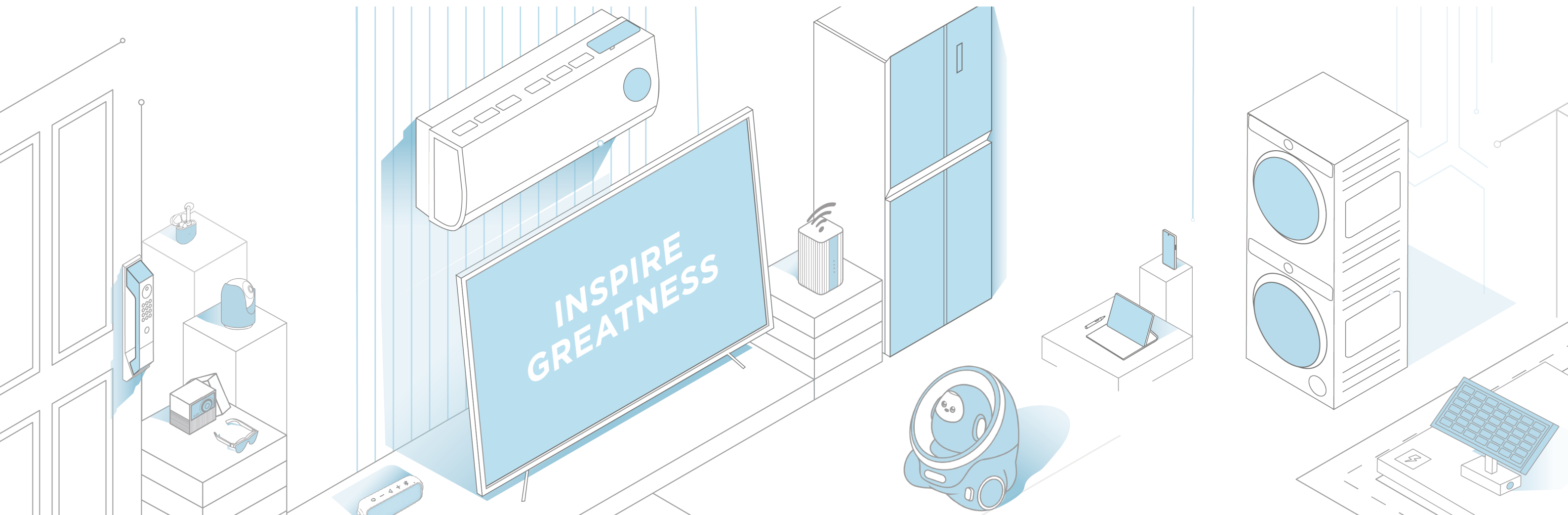
#### Liquidity Risk

The Company places paramount importance on liquidity management, ensuring stable business operations by continuously optimising cash reserves and capital structure. As of the end of the reporting period, the Company's current ratio stood at 1.0, with a quick ratio of 0.7, and its asset-liability ratio at 82.7%, reflecting a year-on-year increase of 0.3 percentage points. The interest-bearing liability ratio was 19.1%, marking a year-on-year decrease of 2.7 percentage points. The Company's total interest-bearing liabilities balance amounted to CNY26.42 billion, with maturities distributed as follows: CNY11.43 billion due within one year, CNY8.42 billion due in one to two years, CNY4.07 billion due in two to five years, and CNY2.50 billion due beyond five years. To manage liquidity risk more effectively, the headquarters' finance department dynamically monitors both short- and long-term funding requirements at the group level, based on cash flow forecasts provided by each subsidiary. This ensures the Company maintains sufficient cash and highly liquid assets to comprehensively support its business development needs. Additionally, the Company proactively engages in capital planning and sustains strong cooperative relationships with banks and other financial institutions. In the event of short-term cash flow fluctuations, the Company is well-positioned to secure the necessary operational funds promptly through measures such as short-term borrowing.



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# Financial Statements



# 06

## Financial Statements

### Consolidated Financial Statements (Notes)

(From January 1, 2024 to December 31, 2024)

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\*Financial data is disclosed in this report based on Chinese accounting standards and audited

### Consolidated Balance Sheet

Assets	31 December 2024 CNY'000	31 December 2023 CNY'000
Current assets:		
Cash and cash equivalents	15,843,733	15,675,984
Trading financial assets	8,529,942	5,202,528
Derivative financial assets	530,242	217,492
Notes receivable	5,066,895	2,282,525
Accounts receivable	29,499,832	22,572,100
Prepayments	1,603,176	1,089,755
Other receivables	4,701,285	7,552,498
Receivables financing	583,921	3,880,416
Inventories	23,827,575	17,541,274
Contract assets	25,194	111,562
Other current assets	10,568,969	8,364,404
<b>Total current assets</b>	<b>100,780,764</b>	<b>84,490,538</b>
Non-current assets:		
Loans and advances	407,071	752,015
Debt investments	913,306	1,212,867
Long-term receivables	1,082,918	934,160
Long-term equity investments	4,224,646	4,082,000
Other equity investments	1,586,546	1,036,917
Other non-current financial assets	1,706,302	1,330,649
Investment properties	6,255,865	5,772,934
Fixed assets	10,238,663	9,389,974
Construction in progress	1,265,155	1,360,093
Right-of-use assets	1,313,056	1,754,168
Intangible assets	2,225,641	1,949,182
Development expenses	278,922	278,870
Goodwill	3,032,251	2,914,020
Long-term unamortized expenses	847,602	689,790
Deferred income tax assets	990,726	722,101
Other non-current assets	1,250,097	951,815
<b>Total non-current assets</b>	<b>37,618,766</b>	<b>35,131,555</b>
<b>Total assets</b>	<b>138,399,530</b>	<b>119,622,093</b>

Legal Representative: DU Juan

CEO: DU Juan

CFO: PENG Pan

### Consolidated Balance Sheet (Continued)

Liabilities and shareholders' equity	31 December 2024 CNY'000	31 December 2023 CNY'000
Current liabilities:		
Short-term borrowings	8,917,999	9,987,138
Held-for-trading financial liabilities	10,000	-
Derivative financial liabilities	575,059	114,144
Notes payable	10,059,771	8,550,864
Accounts payable	41,230,810	31,052,124
Advances from customers	381,588	384,191
Contract liabilities	3,819,708	3,526,744
Financial assets sold under repurchase	489,774	769,214
Payroll payable	4,796,226	3,674,885
Taxes payable	1,495,938	1,002,468
Other payables	20,835,572	19,638,158
Non-current liabilities due within one year	1,997,306	2,589,133
Other current liabilities	2,094,729	1,430,411
<b>Total current liabilities</b>	<b>96,704,480</b>	<b>82,719,474</b>
Non-current liabilities:		
Long-term borrowings	15,324,004	13,167,979
Projected liability	269,076	273,215
Lease liabilities	1,062,824	1,456,079
Long-term payables	175,126	93,726
Long-term payroll payable	116,066	47,737
Deferred income	178,048	107,532
Deferred income tax liabilities	491,843	484,958
Other non-current liabilities	184,200	258,022
<b>Total non-current liabilities</b>	<b>17,801,186</b>	<b>15,889,248</b>
<b>Total liabilities</b>	<b>114,505,666</b>	<b>98,608,722</b>
Owner's equity :		
Share capital	3,225,000	3,225,000
Capital reserve	590,546	509,547
Special reserves	25	244
Other comprehensive income	-1,704,944	-1,500,090
Surplus reserve	258,384	182,122
General risk reserves	54,339	54,339
Undistributed Profit	5,383,364	4,517,812
Equity attributable to shareholders of the parent company	7,806,714	6,988,974
Minority interests	16,087,150	14,024,397
<b>Total shareholders' equity</b>	<b>23,893,864</b>	<b>21,013,371</b>
<b>Total liabilities and shareholders' equity</b>	<b>138,399,530</b>	<b>119,622,093</b>

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### Consolidated Income Statement

	2024 CNY'000	2023 CNY'000
<b>I. Total operating income</b>	<b>150,034,637</b>	<b>120,321,916</b>
Of which: Operating income	150,034,637	120,321,916
<b>II. Less: Total costs of sales</b>	<b>143,556,523</b>	<b>115,850,763</b>
Of which: Costs of sales	123,230,181	97,719,388
Taxes and surcharges	759,670	748,940
Sales expenses	9,382,721	8,306,624
Administrative expenses	5,437,395	4,758,523
R&D expenses	4,372,326	4,087,137
Financial expenses	374,230	230,151
Of which: Interest expenses	1,493,192	1,603,929
Interest income	985,609	989,028
Plus: Other income	588,631	786,180
Investment income	291,896	27,644
Of which: cost for associates and joint ventures	155,015	14,118
Financial assets measured at amortized	-	-
Gains on net exposure hedging	-15,910	-27,114
Gains on changes in fair value	130,902	-203,887
Credit impairment loss	-669,015	-475,489
Asset impairment loss	-627,436	-488,747
Income from asset disposal	14,152	920
<b>III. Operating profit</b>	<b>6,191,334</b>	<b>4,090,660</b>
Plus: Non-operating income	131,900	188,297
Less: Non-operating expenditures	169,235	189,523
<b>IV. Total profit</b>	<b>6,153,999</b>	<b>4,089,434</b>
Less: Income tax expenses	1,225,236	854,175
<b>V. Net profit</b>	<b>4,928,763</b>	<b>3,235,259</b>
(1) Classified by Business Continuity		
1. Net profit from continuing operations	4,928,763	3,235,259
2. Net profit from discontinued operations	-	-
(2) Classified by Ownership		
1. Net profit attributable to shareholders of the parent company	1,957,688	1,106,860
2. Profit or loss attributable to minority shareholders	2,971,075	2,128,399

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### Consolidated Cash Flow Statement

	2024 CNY'000	2023 CNY'000
I. Cash flow from operating activities:		
Proceeds from sale of commodities and rendering of services	175,430,147	121,836,275
Tax and levy rebates	4,401,041	4,637,303
Cash from other operating activities	4,333,186	3,086,316
<b>Total cash inflow from operating activities</b>	<b>184,164,374</b>	<b>129,559,894</b>
Payments for commodities and services	147,253,341	95,201,678
Cash paid to and for employees	14,119,749	12,237,259
Taxes and surcharges paid	4,619,978	3,907,194
Cash used in other operating activities	9,434,228	8,961,804
<b>Total cash outflow from operating activities</b>	<b>175,427,296</b>	<b>120,307,935</b>
<b>Net cash flow from operating activities</b>	<b>8,737,078</b>	<b>9,251,959</b>
II. Cash flow from investment activities:		
Proceeds from disinvestments	28,539,883	13,236,049
Proceeds from return on investments	648,262	287,323
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	54,542	54,740
Net proceeds from disposal of subsidiaries and other business units	120,513	155,526
Cash from other investing activities	912,802	720,339
<b>Total cash inflow from investment activities</b>	<b>30,276,002</b>	<b>14,453,977</b>
Payments for the acquisition and construction of fixed assets, intangible assets and other long-term assets	3,214,756	3,220,446
Payments for investments	33,268,173	16,285,329
Cash used in other investing activities	630,066	330,117
<b>Total cash outflow from investing activities</b>	<b>37,112,995</b>	<b>19,835,892</b>
<b>Net cash flow from investing activities</b>	<b>-6,836,993</b>	<b>-5,381,915</b>

### Consolidated Cash Flow Statement (Continued)

	2024 CNY'000	2023 CNY'000
III. Cash flow from financing activities:		
Cash received from capital injection	1,032,510	187,889
Cash received from borrowings	23,159,999	28,456,765
Cash from other financing activities	412,022	1,643,678
<b>Total cash inflow from financing activities</b>	<b>24,604,531</b>	<b>30,288,332</b>
Cash paid for debt repayment	22,776,566	27,981,887
Cash paid for distribution of dividends and profits or payment of interests	2,854,205	3,144,774
Of which: Dividends and profits paid by subsidiaries to minority shareholders	1,305,781	979,731
Other cash paid in relation to financing activities	1,924,637	1,389,584
<b>Total cash outflow from financing activities</b>	<b>27,555,408</b>	<b>32,516,245</b>
<b>Net cash flow from financing activities</b>	<b>-2,950,877</b>	<b>-2,227,913</b>
IV. Effect of exchange rate changes on cash and cash equivalents		
	95,495	132,317
V. Net increase of cash and cash equivalents		
	-955,297	1,774,448
Plus: Beginning balance of cash and cash equivalents		
	14,582,724	12,808,276
VI. Closing balance of cash and cash equivalents		
	13,627,427	14,582,724

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## Definition

Term	means	Definition
TCL Industries, the Company	means	TCL Industries Holdings Co., Ltd.
TCL Electronics	means	TCL Electronics Holdings Limited, a subsidiary of the Company listed on the HKEX (stock code: 01070.HK)
TCL Smart Home	means	Guangdong TCL Smart Home Co., Ltd., formerly known as Guangdong Homa Appliances Co., Ltd., a subsidiary of the Company listed on the SZSE (stock code: 002668.SZ)
TCL Air Conditioner	means	TCL Air Conditioner (Zhongshan) Co., Ltd.
Tonly Technology	means	Tonly Technology Co., Ltd.
TCL Environmental Technology	means	TCL Environmental Technology Co., Ltd.
Getech	means	Getech Technology Co., Ltd.
TCL Industrial Park	means	TCL Technology Industrial Park Co., Ltd.
TCL Financial Service	means	TCL Financial Service Holding Group (Guangzhou) Co., Ltd.
Hefei Household Appliances	means	TCL Household Electric Appliance (Hefei) Co., Ltd.
Homa Refrigerator	means	Guangdong Homa Refrigerator Co., Ltd.
JDH	means	JDH Information Technology (Zhuhai) Co., Ltd.
Wonder	means	Wonder Inc.
Ruixinku Intelligence	means	Jiangsu Ruixinku Intelligent Technology Co., Ltd.

## Exchange Rate

CNY/HKD	2024.01-12	2023.01-12
Average rate	0.9122	0.9010
CNY/HKD	2024.12.31	2023.12.31
Closing rate	0.9258	0.9064



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