TCL DISPLAY TECHNOLOGY HOLDINGS LIMITED
TCL 顯示科技控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 334)

PROFIT ALERT

This announcement is made by TCL Display Technology Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on preliminary assessment of the latest unaudited consolidated management accounts of the Group, the Group is expected to record a net profit for the six months ended 30 June 2016 as compared to the net loss recorded for the six months ended 30 June 2015 whilst it is expected that the Group may record a decrease in the gross profit margin for the six months ended 30 June 2016 as compared to that recorded for the six months ended 30 June 2015.

Based on the information currently available, the expected turnaround from loss to profit for the six months ended 30 June 2016 is mainly due to (i) the absence of the one-off listing expenses incurred during the six months ended 30 June 2015; (ii) the increase in sales volume; (iii) the increase in average selling price as a result of the improvement in product mix; and (iv) the one-off compensation for building defects from the lessor of a former factory. However, owing to the rising cost of raw materials price, the Group is expected to record a lower gross profit margin for the six months ended 30 June 2016 as compared to that recorded for the six months ended 30 June 2015.

Notwithstanding the aforesaid, the Board is optimistic that the performance of the Group for the second half of 2016 will continue to improve as the Company is taking steps to liaise with its customers on adjusting the selling price to accommodate the rise in product costs, with a view to secure a higher gross profit margin. Further, the Company has been promoting the sales of higher-end products such as low-temperature poly-silicon liquid crystal display modules which offers a higher unit price and gross profit margin.

As the Company is still in the process of finalising the interim results for the six months ended 30 June 2016, the information contained in this announcement is only based on the preliminary assessment by the management of the Company of information currently available and is not based on any figures or information audited or reviewed by the Company's auditors. Further details of the Group's financial results and performance will be disclosed in the Company's interim results announcement which is expected to be published in August 2016.

The Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
YUAN Bing
Chairman

Hong Kong, 14 July 2016

As at the date of this announcement, the Board comprises Mr. Yuan Bing as Chairman and non-executive Director; Mr. Li Jian, Mr. Ouyang Hongping, Ms. Yang Yunfang and Mr. Zhao Yong as executive Directors; and Ms. Hsu Wai Man Helen, Mr. Xu Yan and Mr. Li Yang as independent non-executive Directors.