

Varitronix Secures Stable Supply of TFT Panels for Business Expansion Through Long-term Supply Agreement with BOE HYDIS



[18 July 2007 – Hong Kong] Varitronix International Limited (“Varitronix”; Stock code: 710) signed a long-term Thin-Film Transistor (TFT) panel supply agreement with Korean-based TFT manufacturing company BOE HYDIS. The strategic partnership strengthens the supply of small to medium-sized TFT panels for Varitronix, facilitating its business expansion in the TFT-LCD manufacturing business.

The market for small to medium-sized TFT panels continues to grow at a fast pace. According to forecasts made by DisplaySearch 2005, worldwide TFT shipment volume for mobile phones is expected to grow by 27% per annum between 2004 and 2009. The acquisition of a steady supply of high quality TFT panels is a critical factor for success in this thriving and highly competitive market.

BOE HYDIS has been involved in developing, manufacturing and supplying TFT-LCD products since 1996. BOE HYDIS runs three TFT-LCD production lines that specialize in high-end, small to medium-sized applications. The manufacturer has the expertise to develop the most advanced products with its unique Advanced Fringe Field Switching technology.

Mr Tony Tsoi, Chief Executive Officer of Varitronix, commented during the agreement signing ceremony, “Varitronix will be a strategic partner to BOE HYDIS, providing market access and financial support to the company. In return, BOE HYDIS will be one of our key

suppliers of TFT panels, providing a secure supply amid the fast growing small to medium-sized TFT-LCD market. With this stable supply source, we will have greater flexibility in designing diversified products to meet customer demand.”

“We believe that, after the financial restructuring in May 2007, BOE HYDIS is financially stronger than before. With an experienced management team, BOE HYDIS remains committed to developing cost-efficient and technologically advanced TFT panels. Given the favourable market sentiment, the restructuring plan of BOE HYDIS is timely, and we believe its prospects are promising,” added Mr Tsoi.

Mr Hae Sung Park, President and Chief Executive Officer of BOE HYDIS, said, “We are pleased to enter into a long-term cooperation agreement with Varitronix, which has been one of the world’s most successful LCD display companies. The ties will be beneficial for the sustained growth of both companies.”

Photo Caption:

Mr Tony Tsoi, Chief Executive Officer of Varitronix (right) and Mr Hae Sung Park, President and Chief Executive Officer of BOE HYDIS formed a concrete partnership by signing a long-term TFT supply agreement.

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About Varitronix

Established in 1978, Varitronix is one of the world's leading manufacturers of small-to-medium-sized liquid crystal displays (LCDs). Varitronix serves customers around the world through its extensive sales network. Its manufacturing bases are located in Shenzhen and Heyuan, Guangdong Province. Varitronix holds ISO 9001, TS 16949 and ISO 14001 accreditation. The Company has been listed on The Stock Exchange of Hong Kong since 1991 (stock code: 710). Please visit www.varitronix.com for more information.

About BOE HYDIS

BOE HYDIS is one of the world’s leading manufacturers of TFT-LCD panels. It launched its operations as Hyundai Electronic’s LCD business division in 1989. In 2001, the company was spun off from Hyundai Electronics and established the corporate name HYDIS. HYDIS was acquired by the BOE Group of China in 2004. In May 2007, BOE HYDIS completed the financial restructuring program approved by the Korean courts. Located on the outskirts of Seoul in South Korea, BOE HYDIS is the home of an R&D Center where research and development activities are undertaken by 260 staff members. Please visit www.boehydis.com for more information.

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