

[Immediate Release]

VARITRONIX ACHIEVES INSTANT ACCESS TO OLED MARKET

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INVESTS IN LEADING OLED MANUFACTURER BECOMES ITS SINGLE LARGEST SHAREHOLDER

(Hong Kong, June 13, 2005) — Leading Liquid Crystal Display (LCD) manufacturer Varitronix International Limited (stock code: 710) announced that it has agreed to acquire 28.57% of Ness Display at a consideration of US\$ 20 million.

After the acquisition, Varitronix will become the single largest shareholder of Ness Display. Varitronix will appoint a chief financial officer and a chief marketing officer to Ness Display and will also assign a technical team to join Ness Display to facilitate its production operations.

Established in 2000, Ness Display pursues research, development and marketing of OLED and becomes a leading OLED manufacturer that has successfully commercialized OLED technology. Its plant in Korea has been in operation since 2003 while that in Singapore is going to start trial run next month. Currently, Ness Display holds 124 patents associated with OLED technology with an extensive client base in Korea, Taiwan and China including Samsung, DBTel and Truly. Apart from Varitronix, Ness Display's shareholders include prominent institutional investors, such as Softbank, Carlyle Group, Investor AB and EDBI (the investment arm of Singapore EDB).

Mr. Tony Tsoi, CEO of Varitronix, said, "We are pleased to announce our investment in Ness Display. By investing in this company, we have taken a major step in exploring OLED business. We believe Ness achievements in OLED technologies and state-of-the-art mass volume production in Singapore will facilitate our quick access to the market. It can also benefit our OLED assembly business and provide substantial support to our future expansion.

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“To facilitate further penetration of the OLED market, Ness is planning to set up an additional OLED production line in China next year. The new line will boost the production capacity from 18 million pieces per annum by end of this year to 39 million pieces per annum. Moreover, we also target to get Ness Display listed in due course. With these concrete goals and our aggressive pursuit of them, we are confident that our OLED business will see great success and bring significant contribution to Varitronix’s business growth.”

OLED is well-received for its characteristics of low power consumption, high luminance, wide viewing angle and light weight. The technology is widely regarded as the next generation display technology for mobile devices.

About Varitronix International Limited

Established in 1978 by a group of academics from Hong Kong's universities, Varitronix has become one of the world’s leading manufacturers of Liquid Crystal Displays (LCDs). With great emphasis on research and development, Varitronix commits to working with customers to develop advanced LCD products for a broad range of markets, including sophisticated commercial, industrial, medical, military, communications and automotive display products. As a research-driven company, Varitronix emphasizes on the commercialization of new products and partners with leading organizations with strong capabilities in their respective fields including Reflective Liquid Crystal on Silicon Microdisplay (LCOS), Organic Light Emitting Diode (OLED) and Bistable Cholesteric Display (BCD).

The Group runs 6 manufacturing plants in Hong Kong, Malaysia and China and has 9 sales offices worldwide. Varitronix was ISO 9001, QS9000 and ISO/TS 16949 accredited in 1995, 2001 and 2004 respectively. It has been listed on The Stock Exchange of Hong Kong Limited since 1991. For more information on Varitronix, please visit www.varitronix.com.

About Ness Display Company Limited

Ness Display Co., Ltd. is one of the world leading manufacturing companies in the development of innovative organic light emitting diode (OLED) technology for future generations of flat panel displays. With its proprietary technologies, the company is providing cutting-edge OLED panels and modules at efficient cost and better performance relative to other display technologies.

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For more information

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