



For immediate Release

**Shenzhen China Star Optoelectronics Technology (CSOT) Acquires
Stake in China Display Optoelectronics Technology (CDOT)
TCL Corporation Remains the Ultimate Controlling Shareholder of the
CDOT**

* * * * *

(2 May 2017, Hong Kong) **China Display Optoelectronics Technology Holdings Limited** (“Ch Display Opt” or the “Company”, together with its subsidiaries, the “Group”; HKSE stock code: 334) announced that Shenzhen China Star Optoelectronics Technology (“Shenzhen CSOT”) has agreed to acquire 53.81% shares in the Company through its subsidiary High Value Ventures Limited, which was registered in the British Virgin Islands. Pursuant to the rule of the Hong Kong Takeovers Code, the Company is required to make an unconditional mandatory general cash offer for all the Offer Shares. Shenzhen CSOT has no intention of privatising the Company. After the acquisition, the Company will be a subsidiary of Shenzhen CSOT, but the ultimate controlling shareholder of the Company remains to be TCL Corporation (TCL Corp.).

This is not the first time the two parties engaged in a transaction. The Company has previously signed a “Memorandum of Understanding in Relation to a Possible Formation of Joint Venture” with Wuhan CSOT, a subsidiary of Shenzhen CSOT, in June 2016. An agreement for the joint venture was signed in October 2016, which stipulated a joint investment for the establishment of Wuhan CDOT dedicated to producing high-end, large-size display panel LTPS LCD module products. Due to the successful operation of preceding projects and the market’s optimism towards LCD module products, Shenzhen CSOT further acquired shares of the Company, in order to expand its reach in the LCD module products domain.

This acquisition will effectively collaborate panel technology of Shenzhen CSOT and display module technology of the Company, and is contemplated to facilitate the profound cooperation between Shenzhen CSOT and the Company in manufacturing, supply chain, product mix and customer mix and after-sales service where both parties will standardise and upgrade their systems. After the acquisition, the Company and Shenzhen CSOT will continue to work together with the aim to expand market share and overseas market.

What is notable is that the acquisition is considered as a group restructuring of TCL Corp..



Although Shenzhen CSOT will become the controlling shareholder of the Company after the acquisition, but the ultimate controlling shareholder of the Company remains to be TCL Corp.. Therefore, this acquisition will not affect normal business operation of the Company, and it in turn practically optimises human resources, which will bring long term benefits to the stable development of the Group.

Shenzhen CSOT is headquartered in Shenzhen and is a high-tech company established on 16 November 2009 with a registered capital of RMB18.3 billion. As one of the major sources of income of TCL Corp., Shenzhen CSOT, a leading display panel manufacturer in China is principally engaged in the research and development, production and sales of display panels for electronics appliances including TV panels and mobile devices panels. Shenzhen CSOT owns two 8.5th generation liquid crystal panel production lines and one 6th generation liquid crystal panel production line. On 30 November 2016, its 11th generation TFT-LCD and AMOLED new-type display device production line was duly put into operation. Currently, Shenzhen CSOT's products cover large-sized TV panels and small-to-medium sized mobile terminal panels. According to HIS report, Shenzhen CSOT is ranked No.5 among the world's LCD panel module manufacturers. In terms of 55-inch panels, it accounts for 21.6% of the market share worldwide and is ranked No.1 in China. Shenzhen CSOT possesses leading technology in display panels. Shenzhen CSOT mainly owns two production bases:

- Shenzhen CSOT's production base in Shenzhen specialises in the production of large-sized TV panels and owns two 8.5th generation production line and one 11th generation production line which is under construction.
- Wuhan CSOT's production base in Wuhan East Lake High-Tech Development Zone specialises in the production of small-to-medium sized mobile terminal panels and owns one 6th generation LTPS (OXIDE) • LCD/AMOLED display panel production line and one 6th generation flexible LTPS-AMOLED display panel production line which is under construction.

-End-





About China Display Optoelectronics Technology (334.HK)

Headquartered in China, China Display Optoelectronics Technology Holdings Limited (HKSE stock code: 334) is one of the major providers of small-to-medium-sized display modules (≤ 10.1 "") in the region. Ch Display Opt engaged primarily in the research and development, manufacturing, sales and distribution of LCD modules mainly for handheld mobile devices on an ODM basis. Smartphone LCD module products of Ch Display Opt are welcomed by domestic and overseas manufacturers with sales volume ranking among the top.

For more information, please visit its website at www.cdoth8.com.

