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**China Display Optoelectronics Technology Holdings Limited**

**華顯光電技術控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 334)**

**ANNOUNCEMENT ON BUSINESS UPDATE  
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

This announcement is made by China Display Optoelectronics Technology Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In order to further enhance the transparency of the Group and provide additional information with which shareholders of the Company and potential investors may better appraise the recent business development and financial position of the Group in a timely manner, the board (the “**Board**”) of directors of the Company (the “**Directors**”) would like to provide an update to its shareholders and potential investors on certain unaudited financial and operating data of the Group for the three months ended 31 March 2025 (the “**Review Period**”).

## BUSINESS REVIEW

During the Review Period, market demand recovered slowly amid escalating geopolitical tensions and the heightened risk of U.S. tariff hikes. Nonetheless, the global smartphone shipment in the first quarter of 2025 increased by 1.5% year-on-year to 305 million units. During the Review Period, the Group achieved a total sales volume of 13.2 million units, representing a year-on-year increase of 21.9%. With the growing utilisation of technologies such as artificial intelligence (AI) and Internet of Things (IoT), the Group's collaboration with TCL China Star Optoelectronics Technology Company Limited ("TCL CSOT") on module and panel integration has become increasingly mature, driving continued growth in the sales of custom-developed medium-sized display modules for top-tier brand customers. During the Review Period, the sales volume of the Group's tablet modules increased by 1.8 times year-on-year to 2.1 million units, with a corresponding revenue increasing by 1.39 times year-on-year to RMB355.4 million. Driven by the higher unit prices of the medium-sized products, the Group's overall average selling price of products increased by 18.0% year-on-year to RMB110.7 and the Group's total revenue was RMB1,394.4 million, representing a year-on-year increase of 49.7%.

Sales volume of the Group for the Review Period by product segment and their respective year-on-year comparisons are as follows:

(Unaudited)	For the three months ended 31 March				Change
	2025		2024		
	'000 units	%	'000 units	%	
Sale of Products					
Mobile Phone Modules	9,062.2	68.5%	7,973.8	73.5%	+13.6%
Tablet Modules	2,061.8	15.6%	735.2	6.8%	+180.4%
Commercial Display Products	363.1	2.7%	263.6	2.4%	+37.7%
Parts and Others	978.4	7.4%	801.1	7.4%	+22.1%
Processing and Manufacturing Services	765.0	5.8%	1,079.4	9.9%	−29.1%
Total	13,230.5	100.0%	10,853.1	100.0%	+21.9%

Revenue of the Group for the Review Period by product segment and their respective year-on-year comparisons are as follows:

(Unaudited)	For the three months ended 31 March				Change
	2025		2024		
	<i>RMB million</i>	<i>%</i>	<i>RMB million</i>	<i>%</i>	
Sale of Products					
Mobile Phone Modules	442.0	31.7%	419.4	45.0%	+5.4%
Tablet Modules	355.4	25.5%	148.5	15.9%	+139.3%
Commercial Display Products	272.9	19.6%	292.6	31.4%	−6.7%
Parts and Others	309.6	22.2%	56.5	6.1%	+448.0%
Processing and Manufacturing Services	14.5	1.0%	14.7	1.6%	−1.4%
Total	1,394.4	100.0%	931.7	100.0%	+49.7%

## OUTLOOK

According to the forecasts of IDC, an international research institute, the global smartphone shipments will reach 1.26 billion units in 2025, representing a year-on-year increase of 2.3%. Despite the positive market trend, the display industry continues to face risks due to moderating market demand and significant uncertainties arising from the new U.S. tariff policies on global trade.

At the same time, the demand for smart education products in the PRC market remained stable. The Group will deepen its collaborations with a number of well-known brand customers in tablet products to further expand its development in the smart home, smart industrial control, smart healthcare and other commercial display markets. Meanwhile, the Group will also launch two new medium-sized display module production lines within this year to meet the market demand.

In the long run, the Group remains cautiously optimistic about the development prospects of the display module business. The Group is confident that, by refining its industrial chain structure and enhancing its technological capabilities and economies of scale advantages, it can seize the business opportunities arising from smart home and IoT, steadily drive growth in product sales underpinned by strict cost control, and strive to create better value for the Group and its shareholders.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group's principal financial instruments comprise cash and cash equivalents, short-term deposits and time deposits. According to the unaudited financial statements, the Group's cash and cash equivalents and time deposits balance as at 31 March 2025 amounted to RMB301.0 million, of which 99.7% was in RMB and 0.3% was in US dollar. The Group's treasury deposits balance as at 31 March 2025 amounted to RMB1,370.2 million, such deposits were placed with TCL Technology Group Corporation ("**TCL Technology**") pursuant to the Master Financial Services (2023-2025) Agreement dated 31 October 2022 entered into among the Company, TCL Technology and TCL Technology Finance Co., Ltd.\* (TCL科技集團財務有限公司, "**Finance Company**") (as amended and supplemented by the supplemental agreement ("**Supplemental Agreement**") to the Master Financial Services (2023-2025) Agreement dated 27 October 2023 entered into among the Company, TCL Technology and the Finance Company). As at 31 March 2025, the Group had no interest-bearing bank loans.

The Board wishes to remind shareholders of the Company and potential investors that the above financial and operating data are based on the Group's management accounts which have not been audited or reviewed by auditors. Accordingly, figures and discussions contained in this announcement should in no way be regarded as providing any indication or assurance on the financial results of the Group for the three months ended 31 March 2025. Shareholders of the Company and potential investors are cautioned not to place undue reliance on such data.

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

On behalf of the Board  
**LIAO Qian**  
*Chairman*

Hong Kong, 28 April 2025

*As at the date of this announcement, the Board comprises Mr. LIAO Qian as Chairman and non-executive Director; Mr. OUYANG Hongping, Mr. WEN Xianzhen, Mr. XI Wenbo and Mr. WANG Xinfu as executive Directors; and Ms. HSU Wai Man Helen, Mr. XU Yan, Mr. LI Yang and Ms. YANG Qiulin as independent non-executive Directors.*