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If you are in doubt as to any aspect about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in China Display Optoelectronics Technology Holdings Limited (the “Company”), you should at once hand this circular and proxy form enclosed herein to the purchaser or transferee, or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

REVISION OF REVENUE LIMIT AND ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS UNDER THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

Independent Financial Adviser to the Independent Board Committee and the Shareholders



Pelican Financial Limited

A letter from the Board is set out on pages 6 to 26 of this circular.

A letter from the Independent Board Committee containing its recommendation to the Shareholders is set out on page 27 of this circular. A letter from Pelican Financial Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Shareholders is set out on pages 28 to 57 of this circular.

A notice convening the SGM of the Company to be held at 8th Floor, Building 22E, Phase Three, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on 24 September 2025, Wednesday at 3:00 p.m. is set out on pages 62 to 64 of this circular.

If a tropical cyclone signal no. 8 or above or a black rainstorm warning signal or “extreme conditions” as defined under Chapter 1 of the Rules of the Exchange of the Stock Exchange is/are in force at or at any time after 12:00 noon on the date of the SGM and/or the Hong Kong Observatory and/or the government of Hong Kong (as the case may be) has announced at or before 12:00 noon on the date of the SGM that either of the above mentioned warnings is to be issued within the next two hours, the SGM will be postponed. The Company will publish an announcement to notify Shareholders of the date, time and place of the postponed SGM.

The SGM will be held as scheduled when an amber or red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the SGM under bad weather conditions bearing in mind their own situation.

Whether or not you are able to attend the SGM or any adjournment or postponement thereof (as the case may be) in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://evoting.vistra.com>) by using the username and password provided on the notification letter sent by the Company, as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment or postponement thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment or postponement thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

9 September 2025

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2025 Purchase Annual Cap”	the existing annual cap of the purchase of Materials from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the year ending 31 December 2025;
“2025 Sale Annual Cap”	the existing annual cap of the sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the year ending 31 December 2025;
“2025 Sale Revenue Limit”	the Revenue Limit for the sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the year ending 31 December 2025;
“Annual Caps”	the Sale Annual Caps and the Purchase Annual Caps;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bye-Laws”	the bye-laws of the Company as supplemented or amended or substituted from time to time;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Company”	China Display Optoelectronics Technology Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 334);
“connected person(s)”	has the meanings ascribed to it under the Listing Rules;
“Connected Person List”	a list of connected persons maintained by the finance department of the Company by, on a quarterly basis, counterchecking with each party in the Transaction Parties List to ascertain whether they are connected persons of the Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors established for the purpose of reviewing the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps;
“Independent Financial Adviser”	Pelican Financial Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial advisor appointed by the Board to advise the Independent Board Committee and the Shareholders in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps;
“Independent Third Party(ies)”	a person(s) or company(ies) which is/are independent of and not connected with any directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries and their respective associates;
“Latest Practicable Date”	3 September 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“LCD”	liquid crystal display;
“LCD Module”	the integrated module of liquid crystal display, integrated circuit, connector and other structural components;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Sale and Purchase (2025-2027) Agreement”	the master sale and purchase (2025-2027) agreement dated 10 September 2024 entered into between TCL Technology and the Company;

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“Materials”	the articles, things, parts or materials required for manufacturing or production of Products, including but not limited to light-emitting diode, iron frames and other components and parts;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular;
“Products”	products including but not limited to LCD Modules manufactured, produced or otherwise sold or distributed by the Group;
“Purchase Annual Cap(s)”	the existing annual cap(s) of the purchase of Materials from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for each of the three years ending 31 December 2027;
“Revenue Limit”	<p>the undertakings by the Company and TCL Technology with each other under the Master Sale and Purchase (2025-2027) Agreement that:</p> <p>(i) the aggregate amount of purchase of Materials from TCL Technology Group by the Group shall not exceed 50% of the Group’s then total revenue in each of the financial years during the term of the Master Sale and Purchase (2025-2027) Agreement; and</p> <p>(ii) the aggregate amount of sale of Products to TCL Technology Group by the Group shall not exceed 50% of the Group’s then total revenue in each of the financial years during the term of the Master Sale and Purchase (2025-2027) Agreement;</p>
“Revised Annual Cap(s)”	the Revised Purchase Annual Cap(s) and the Revised Sale Annual Cap(s);
“Revised Purchase Annual Cap(s)”	the proposed revised annual cap(s) of the purchase of Materials from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for each of the three years ending 31 December 2027;

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“Revised Sale Annual Cap(s)”	the proposed revised annual cap(s) of the sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for each of the two years ending 31 December 2026;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Annual Cap(s)”	the existing annual cap(s) of the sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for each of the three years ending 31 December 2027;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of Laws of Hong Kong);
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve, among other things, the revision of the 2025 Sale Revenue Limit and the Revised Annual Caps;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary/subsidiaries”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;
“Supplemental Agreement”	the supplemental agreement dated 12 August 2025 entered into between TCL Technology and the Company to amend and supplement the Master Sale and Purchase (2025-2027) Agreement;
“TCL CSOT”	TCL China Star Optoelectronics Technology Co., Ltd.* (TCL華星光電技術有限公司), a company established under the laws of the PRC with limited liability and a subsidiary of TCL Technology;

DEFINITIONS

“TCL Technology”	TCL Technology Group Corporation (TCL科技集團股份有限公司), a joint stock limited company established under the laws of the PRC, the ultimate controlling shareholder of the Company, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000100);
“TCL Technology Group”	TCL Technology, its subsidiary(ies) and any entity(ies) that may become subsidiary(ies) of TCL Technology from time to time during the term of the Master Sale and Purchase (2025-2027) Agreement, and for the purpose of this circular excludes the Group (unless otherwise specified);
“%”	per cent.

The English translation of Chinese names or words in this circular, where indicated by “”, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

LETTER FROM THE BOARD

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)

Non-executive Director:

Mr. LIAO Qian (*Chairman*)

Executive Directors:

Mr. ZHANG Feng (*Chief Executive Officer*)

Mr. XI Wenbo

Mr. WANG Xinfu

Mr. ZHANG Caili

Independent Non-executive Directors:

Ms. HSU Wai Man, Helen

Mr. LI Yang

Mr. XU Yan

Ms. YANG Qiulin

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Place of

Business in Hong Kong:

8th Floor

Building 22E

Phase Three, Hong Kong Science Park

Pak Shek Kok

New Territories

Hong Kong

9 September 2025

To the Shareholders

Dear Sir or Madam,

REVISION OF REVENUE LIMIT AND ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS UNDER THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

INTRODUCTION

Reference is made to (i) the announcement and the circular of the Company dated 10 September 2024 and 14 October 2024 respectively in relation to the Master Sale and Purchase (2025-2027) Agreement and (ii) the announcement of the Company dated 12 August 2025 (“**Announcement**”).

The purposes of this circular are:

- (i) to provide the Shareholders with further details regarding the revision of the 2025 Sale Revenue Limit and the Revised Annual Caps;

LETTER FROM THE BOARD

- (ii) to set out the recommendations from the Independent Board Committee regarding the revision of the 2025 Sale Revenue Limit and the Revised Annual Caps;
- (iii) to set out the advice from Pelican Financial Limited, the Independent Financial Adviser, regarding the revision of the 2025 Sale Revenue Limit and the Revised Annual Caps; and
- (iv) to give the Shareholders other information in accordance with the requirements of the Listing Rules.

The notice of SGM is enclosed herein as part of this circular.

THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

The Company entered into the Master Sale and Purchase (2025-2027) Agreement with TCL Technology on 10 September 2024, pursuant to which, among other things, each member of the Group may, at its absolute discretion, request to purchase its required Materials from members of TCL Technology Group, and each member of TCL Technology Group may, at its absolute discretion, request to purchase Products from members of the Group. The Master Sale and Purchase (2025-2027) Agreement and the transactions contemplated thereunder together with the relevant annual caps for the three years ending 31 December 2027 were subsequently approved, confirmed and ratified by the Shareholders during a special general meeting held on 7 November 2024.

Principal terms and details of the Master Sale and Purchase (2025-2027) Agreement are set out in the announcement and circular of the Company dated 10 September 2024 and 14 October 2024 respectively.

SUPPLEMENTAL AGREEMENT

On 12 August 2025, the Company and TCL Technology entered into the Supplemental Agreement to amend and supplement the Master Sale and Purchase (2025-2027) Agreement by revising the 2025 Sale Revenue Limit.

Set out below are the principal terms of the Supplemental Agreement:

- | | |
|----------|---|
| Date: | 12 August 2025 (after trading hours) |
| Parties: | (i) the Company (for itself and on behalf of the Group); and |
| | (ii) TCL Technology (for itself and on behalf of TCL Technology Group). |

LETTER FROM THE BOARD

Condition Precedent:

The Supplemental Agreement is conditional on and subject to compliance by the Company with relevant requirements of the Listing Rules, including but not limited to obtaining the Shareholders' approval at the SGM.

Save as disclosed above, the Supplemental Agreement is not subject to other condition precedent.

Major Terms:

Subject to satisfaction of the condition precedent, the Revenue Limit for sale of Products by the Group to TCL Technology Group shall be amended and replaced to the effect that each of the Company and TCL Technology undertakes with each other that:

- (i) the aggregate amount of sales of Products to TCL Technology Group by the Group (A) for the year ending 31 December 2025 (i.e. the 2025 Sale Revenue Limit) shall not exceed 60% of the Group's then total revenue in the financial year ending 31 December 2025, and (B) for each of the year ending 31 December 2026 and 31 December 2027 shall not exceed 50% of the Group's then total revenue in each of the financial year ending 31 December 2026 and 31 December 2027 respectively.

For the avoidance of doubt, the Revenue Limit in respect of purchase of Materials from TCL Technology Group by the Group during the term of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged.

Save as the aforesaid and the proposed revision of Annual Caps as further disclosed in the section headed "REVISION OF ANNUAL CAPS IN RESPECT OF THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT", all other terms and conditions of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged and continue in full force and effect.

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REVISION OF ANNUAL CAPS IN RESPECT OF THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

Based on the actual amounts of Materials purchased from and Products sold to members of TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement and the projected demand for Materials and Products, the Company anticipates that the Annual Caps under the Master Sale and Purchase (2025-2027) Agreement will not be sufficient to meet the Group's demand for Materials and TCL Technology Group's demand for Products. Accordingly, the Company proposes to revise the Annual Caps.

For the avoidance of doubt, no revision to the Sale Annual Cap for the year ending 31 December 2027 is proposed.

HISTORICAL FIGURES AND PROPOSED REVISED ANNUAL CAPS

The following table sets out the respective relevant historical figures of the purchase of Materials from and sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the seven months ended 31 July 2025, the existing Annual Caps for the three years ending 31 December 2027 and the proposed Revised Annual Caps for the three years ending 31 December 2027 (where applicable):

	For the seven months ended 31 July 2025 (for actual amount only)/For the year ending 31 December 2025 (for 2025 Sale Annual Cap, 2025 Purchase Annual Cap and the relevant Revised Annual Caps) RMB'000	For the year ending 31 December 2026 RMB'000	For the year ending 31 December 2027 RMB'000
Master Sale and Purchase (2025-2027) Agreement			
<i>Sale of Products to TCL Technology Group</i>			
Existing Sale Annual Caps	2,500,000	3,000,000	3,600,000
Actual amount	1,964,850	N/A	N/A
Utilisation Rate	78.6%	N/A	N/A
Proposed Revised Sale Annual Caps	4,200,000	3,800,000	N/A

LETTER FROM THE BOARD

	For the seven months ended 31 July 2025 (for actual amount only)/For the year ending 31 December 2025 (for 2025 Sale Annual Cap, 2025 Purchase Annual Cap and the relevant Revised Annual Caps) RMB'000	For the year ending 31 December 2026 RMB'000	For the year ending 31 December 2027 RMB'000
<i>Purchase of Products from TCL Technology Group</i>			
Existing Purchase Annual Caps	2,500,000	3,000,000	3,600,000
Actual amount	1,300,025	N/A	N/A
Utilisation Rate	52.0%	N/A	N/A
Proposed Revised Purchase Annual Caps	3,200,000	3,800,000	4,180,000

BASIS FOR DETERMINING THE REVISED ANNUAL CAPS

The proposed Revised Sale Annual Caps and Revised Purchase Annual Caps in relation to the Master Sale and Purchase (2025-2027) Agreement are determined with reference to the following factors:

Sale of Products to TCL Technology Group

- (i) Since the Group's establishment of an integrated panel and module business model with TCL CSOT's "t9" display panel production line in the fourth quarter of 2022, the Group has been equipped with the capability to meet the technical specifications of more first-tier brand customers, and therefore secured more orders from new brand customers. Accordingly, and benefiting from the expansion in the scope of application of medium-sized display products and the growing demand for smart home devices and tablet products, the Group recorded an encouraging growth in revenue. As disclosed in the Company's annual report for the year ended 31 December 2024, revenue of the Group increased by 76.6% to RMB4.59 billion for the year ended 31 December 2024. Based on the unaudited management accounts of the Group, the Group recorded revenue of approximately RMB3.94 billion for the seven months ended 31 July 2025, representing a year-on-year increase of over 80%.

LETTER FROM THE BOARD

- (ii) Based on (a) existing order quantity, production and shipment schedule, unit price of products; (b) potential orders from new customers; and (c) the Group's production capacity, revenue is projected to reach approximately 5.4 billion for the nine months ending 30 September 2025, and RMB7.04 billion for the year ending 31 December 2025.
- (iii) As a result, the unaudited historical amount of sale of Products to TCL Technology Group has increased proportionally to reach approximately RMB1.96 billion during the seven months ended 31 July 2025, representing 78.6% of the 2025 Sale Annual Cap. On the basis of the current trend and the existing orders on hand, the actual amount of sale of Products (a) is projected to reach RMB2.59 billion by the end of September 2025, thereby exceeding the 2025 Sale Annual Cap; and (b) is estimated to be RMB4.17 billion at the end of 2025.
- (iv) As further explained in the section headed "REASONS FOR AND BENEFITS OF THE TRANSACTIONS – The Supplemental Agreement and revision of the 2025 Sale Revenue Limit", due to industry common practices, some of the Independent Third Party first-tier brand customers currently only transact with one of the affiliates of TCL Technology Group rather than directly with the Group to purchase the Group's Products, resulting in a significant increase in the amount of sale of Products to TCL Technology Group. The Company has been proactively addressing the issue by negotiating with and requesting certain designated Independent Third Party customers to switch to direct transactions with the Group. Since the transition requires coordination across multiple internal departments of the designated Independent Third Party customers and involves a lengthy process, a more conservative estimate suggests the adjustment will take full effect by the second quarter of 2026. All designated Independent Third Party customers are expected to complete the transition by the end of 2026. Once implemented, the amount of sale of Products to TCL Technology Group is expected to decrease significantly in the two years ending 31 December 2027.
- (v) According to data forecast by Omdia, a global display market research firm, the shipment volume, price and revenue of amorphous silicon LCD ("A-si LCD") display modules are both expected to remain stable throughout the three years ending 31 December 2027 and the lowest price of A-si LCD display module are predicted to remain at a similar level in line with the average price of the Group's Products.

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- (vi) Since the Group's establishment of an integrated panel and module business model with TCL CSOT's "t9" display panel production line in the fourth quarter of 2022, the Group has been equipped with the capability to meet the technical specifications of more first-tier brand customers, and therefore secured more orders from new brand customers and raise the proportion of tablet module sales. For the year ended 31 December 2024 and the six months ended 30 June 2025, mobile phone display modules accounted for 74.2% and 73.8%, respectively, of the Group's total shipments, while tablet display modules represented 10.5% and 12.9% over the same periods. Given the relatively stable composition of the Group's product mix and the anticipated steady pricing of A-Si LCD in the coming years, it is expected that the average price of Products will remain stable throughout the three years ending 31 December 2027.
- (vii) The Group estimates an approximately 5% and 10% organic growth in revenue for the year ending 31 December 2026 and 2027 respectively.
- (viii) In view of the aforesaid paragraphs (i) – (vii), the Revised Sale Annual Cap for the year ending 31 December 2026 is proposed to be RMB3.80 billion. No revision to the Sale Annual Cap for the year ending 31 December 2027 is proposed as the amount of sale of Products to TCL Technology Group is expected to be within the existing annual cap of RMB3.6 billion.

Purchase of Materials from TCL Technology Group

- (i) As mentioned above, the Group has secured a stable source of Materials and the technical skills to meet the specifications of first-tier brand customers after the establishment of an integrated panel and module business model with TCL CSOT's "t9" display panel production line.
- (ii) As a result, the Group's demand for Materials increased proportionally with the growth in revenue, with the unaudited historical amount of purchase of Materials from TCL Technology Group increasing by 79.4% year-on-year to reach RMB1.30 billion during the seven months ended 31 July 2025, accounting for 52.0% of the 2025 Purchase Annual Cap.

LETTER FROM THE BOARD

- (iii) In particular, the “t9” display panel production line of TCL CSOT supplies only one to two kinds of Materials to the Group and is capable of providing a stable supply of such Materials at more competitive terms and pricing as compared to other Independent Third Party suppliers. To reduce production costs and enhance corporate competitiveness, the Group has progressively increased procurement of Materials from TCL Technology Group, including sourcing Materials for a new project from the “t9” display panel production line of TCL CSOT, which contributed RMB57 million to the purchase amount of Materials during the six months ended 30 June 2025. Whereas the Group is constantly exploring the feasibility of sourcing such Materials at similar price from other Independent Third Party suppliers, the trend is expected to continue for the time being. Accordingly, unless the Group could identify another source of similarly priced Materials from Independent Third Party supplier, the Group is expected to continue sourcing from TCL Technology Group, hence the amount of purchase of Materials from TCL Technology Group related to this project is expected to reach RMB120 million for the year ending 31 December 2026.
- (iv) On the basis of the current trend including that as set out in (iii) above, and the existing orders on hand, the amount of Materials needed for production (a) is projected to reach RMB2.68 billion by the end of November 2025, thereby exceeding the 2025 Purchase Annual Cap; and (b) is estimated to be RMB3.00 billion at the end of 2025.
- (v) The average cost of Materials is expected to remain stable throughout the three years ending 31 December 2027.
- (vi) Coupled with the increase in purchase of Materials from TCL Technology Group for the new project as set out in (iii) above, the Group estimates an approximate 15% and 10% organic growth in the amount of Materials to be purchased in the year ending 31 December 2026 and 2027. On this basis, the Revised Purchase Annual Caps for each of the year ending 31 December 2026 and 2027 is proposed to be RMB3.80 billion and RMB4.18 billion respectively.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF REVISING THE EXISTING CAPS

(i) The Supplemental Agreement and revision of the 2025 Sale Revenue Limit

The Group has been purchasing Materials from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement that meets the specific demands of first-tier brand customers. The Group has also been selling Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement, which may be further processed or onward sold to Independent Third Party first-tier brand customers which the Group has yet to establish direct business relationships with.

With the Group gradually stepping up its production capacity and capability, the Group has been successfully listed as a supplier of certain Independent Third Party first-tier brand customers which are renowned consumer electronics and smart manufacturing companies offering a wide range of electronic appliances (“**End Customers**”). Such End Customers have also established business relationship with various members of TCL Technology Group for purchase of different types of electronic products. To streamline administration and accounting, the End Customers require all members of TCL Technology Group (including the Group) to centralise their dealings and sales through a single sales channel, which for the time being is one of the subsidiaries of TCL CSOT (“**TCL Sales Channel**”).

Under this arrangement, TCL Sales Channel serves as the direct point of sale with the End Customers and will, on behalf of other members of TCL Technology Group including the Group, accept orders from and settle payment with the End Customers. TCL Sales Channel will then make respective purchase from relevant members of TCL Technology Group for onward sale to the End Customer. It is in this context that the Group’s sale of Products to TCL Technology Group is made. For the period from 1 January 2024 up to the Latest Practicable Date, substantial part of the sale of the Group’s Products to TCL Technology Group under the Master Sale and Purchase (2022-2024) Agreement and Master Sale and Purchase (2025-2027) Agreement were respectively made for the onward sale to Independent Third Party brand customers under such arrangement which is specifically catered for the End Customers’ internal administrative and sourcing policy.

Although TCL Sales Channel is the point of sale vis-à-vis the End Customers, TCL Sales Channel only plays an administrative and supporting role and acts as a “central platform” accepting orders and processing payments with the End Customers. In particular, all onward sale of Products by TCL Sales Channel to End Customers are sold at the same price charged by the Group to TCL Sales Channel without any markup. Customer management in relation to orders for the Group’s Products, including negotiations on specifications of the Products, delivery and payment terms are performed and handled by the Group through a direct communication channel maintained with the End Customers.

LETTER FROM THE BOARD

With the surging demand from the End Customers coupled with the Group's ramped up production capacity as discussed in detail in the section headed "Basis for Determining the Revised Annual Caps", orders from the End Customers and hence the corresponding sale to TCL Technology Group is expected to grow. Whereas the Company has been actively negotiating with designated End Customers to switch to direct transactions with the Group, as mentioned in the section headed "Basis for determining the Revised Annual Caps" and further discussed below, based on the current orders on hand, it is expected that the 2025 Sale Revenue Limit will exceed 50% by the end of September 2025 and is expected to reach approximately 59% for the year ending 31 December 2025. In any event, the Group will temporarily suspend further order for Products from TCL Technology Group until the Group has made sufficient sale to Independent Third Party customers to ensure the Revenue Limit (including the 2025 Sale Revenue Limit, whether before or after the proposed revision under the Supplemental Agreement) will not be exceeded.

On the other hand, the Group has put in effort to strive for a direct sales channel with the End Customers. As at the Latest Practicable Date, the Group has notified all End Customers of the Group's intention to establish a direct sale channel with End Customer in order to enhance the Group's operation independence. In particular, the Group has engaged in discussions with three of the major End Customers regarding the establishment of direct sales relationships with the Group, one of which will include such matter in the agenda for discussion at its internal meeting expected to be held in or about September or October 2025. With the positive reception from the said major End Customer, the Group is cautiously optimistic that some End Customers will be willing to make direct sales with the Group. Subject to clearance of the relevant End Customer's internal procedures, earliest by the end of 2025 to early 2026.

Sales to the aforesaid three major End Customers (i) accounted for approximately 64% of the total amount of sales of Products made under the Master Sale and Purchase (2022-2024) Agreement for the year ended 31 December 2024, and (ii) is expected to account for approximately 51% of the same for the year ending 31 December 2025. Upon the Group being able to make direct sales to such End Customers, the relevant transactions will no longer constitute continuing connected transactions under the Master Sale and Purchase (2025-2027) Agreement. It is therefore expected that sale to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the remaining term in 2026 to 2027 will be reduced accordingly.

The Company will continue to negotiate with other End Customers with a view to establish a direct sales channel to further minimise TCL Sales Channel's involvement in sales made by the Group so as to enhance its operational independence.

LETTER FROM THE BOARD

In view of the above, whilst efforts have been deployed to keep the actual amount of sale of Products below the Revenue Limit, the Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee) consider that revision of the 2025 Sale Revenue Limit to 60% is necessary and in the best interest of the Company and the Shareholders as a whole:

- (1) based on the current circumstances of the Group, adhering to the current 50% Revenue Limit would imply the Group will have to turn down a significant number of orders from the first-tier End Customers. Given the substantial sales volume contributed by these key accounts, rejecting the orders would adversely affect the overall profitability and business performance of the Group, this is also detrimental to the Group's carefully cultivated relationships with the End Customers;
- (2) the Revenue Limit is put in place to safeguard against the Group's significant reliance on TCL Technology Group. However, as disclosed above, substantial part of the sale to TCL Technology Group arises from the peculiar arrangement with End Customers owing to the End Customer's internal policy, and under such arrangement TCL Sales Channel only plays an administrative role without exerting material interference nor influence over the End Customers. In such circumstances, the transaction amount of sale to TCL Technology Group or the Revenue Limit, and the exceeding of which is not an accurate indicator of the Group's reliance, if any, on TCL Technology Group. Revising the 2025 Sale Revenue Limit will not directly result in the over reliance on TCL Technology Group; and
- (3) the revision of the 2025 Sale Revenue Limit to 60% is proposed having considered the exceptional circumstances in order to accommodate the surge in orders from the End Customers which is the result of the Group's years of dedicated effort in earning the trust of End Customers. In any event and subject to the revision of the 2025 Sale Revenue Limit becoming effective, the Revenue Limit will only exceed 50% in the fourth quarter of 2025 for a very limited period of time. The Group is confident that more End Customers will be willing to establish direct sales channel with the Group thereby reducing the amount of sales to TCL Technology Group, and hence no revision for the Revenue Limit applicable to sales to TCL Technology Group for the two years ending 31 December 2027 nor purchase from TCL Technology Group for the remaining term of the Master Sale and Purchase (2025-2027) Agreement is proposed.

LETTER FROM THE BOARD

(ii) Revision of the Annual Caps

As discussed in the section headed “Basis for Determining the Revised Annual Caps”, the Company anticipates that the actual amount of purchases and sales will exceed the previous estimation and that the Annual Caps will not be sufficient to meet the Group’s projected purchases and sales figure for the three years ending 31 December 2027. The revision of the Annual Caps will facilitate members of the Group to secure a stable and reliable supply of the necessary Materials for production of Products which meet the technical specification of first-tier brand customers and maintain a stable sale of Products to the End Customers which is placed through TCL Technology Group. Hence, the Revised Annual Caps will allow the Group to continue to grow its production scale and strengthen its economics of scale advantage, as well as to maintain more feasible options as to sale channels of its Products.

The Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee) consider that the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps and the transactions contemplated under the Master Sale and Purchase (2025-2027) Agreement will not result in significant reliance on TCL Technology Group for the following reasons:

- (1) the Group expects to maintain its existing portfolio of Independent Third Party customers/suppliers, as none of the existing Independent Third Party customers/suppliers has indicated any intention to discontinue the cooperation with the Group;
- (2) the Group has been exploring new markets and new Independent Third Party customers and optimising its product mix. The Group has capitalised on the advancement in its medium-sized display modules and gradually attracted new brand customers, thereby diversifying its sources of revenue. Further as mentioned above, more End Customers are expected to establish direct sales channels with the Group so the involvement of TCL Technology Group will no longer be required. In view of the aforesaid, the Group is confident that it could maintain and grow its revenue from Independent Third Parties in the future;
- (3) as mentioned above under the “Basis for Determining the Revised Annual Caps” section, the “t9” display panel production line of TCL CSOT supplies only one to two kinds of Materials to the Group, and the Group only sources the requisite Materials from TCL Technology Group given it is the most cost efficient and practical source. In the event that the Group cannot source the requisite Materials from TCL Technology Group, the Group will obtain such Materials from Independent Third Party suppliers which offer the next most cost efficient supply, in which case the Group will discuss with the relevant customers to ascertain if modifications to their product orders are necessary based on the specifications of the Materials that are available from Independent Third Party suppliers.

LETTER FROM THE BOARD

In light of the above, the Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee) consider that the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement, the Revised Annual Caps and the transactions contemplated thereunder are fair and reasonable; on normal commercial terms or better and in the ordinary and usual course of business of the Group; and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL PROCEDURES AND PRICING POLICY

The Group will continue to follow the internal control procedure and pricing policies as stated in the announcement and circular of the Company dated 10 September 2024 and 14 October 2024 respectively when conducting the transactions contemplated under the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement (as amended and supplemented by the Supplemental Agreement). The aforementioned internal control procedures and pricing policies in respect of the sale of Products to and purchase of Materials from TCL Technology Group are set out below for easy reference:

General internal control procedures and pricing policies

- (i) The finance department of the Company has maintained a list of transaction parties (the “**Transaction Parties List**”) of all material transactions and highlighted those who are connected persons of the Company so that staff members could identify transactions that constitute connected transactions of the Company. Whenever the relevant department of the Company intends to enter into transaction with an entity, the relevant department would check against the Transaction Parties List to see if the such entity is a connected person of the Company, and if so the connected transaction would be subject to applicable review and monitoring procedures (including those set out herein, if applicable) to ensure the connected transactions would be on normal commercial terms and on terms no less favourable from the perspective of the Group.
- (ii) The finance department of the Company has, on a quarterly basis, counterchecked with each party in the Transaction Parties List to ascertain whether they are a connected person of the Company, so as to maintain the list of connected persons (the “**Connected Person List**”) for the staff members to identify transactions constituting connected transactions of the Company. Any alteration to the Connected Person List could only be made after checking with the counterparty to ascertain the relationship with the Company, in the case of addition of a connected relationship, evidence such as organisation chart will have to be obtained, and in the case of cessation of a connected relationship, evidence will have to be obtained to confirm the date of cessation as a connected person of the Company. Whenever there is an update to the Connected Person List, it must be reported and approved by the management of the Group to ensure the management is aware of such update.

LETTER FROM THE BOARD

- (iii) The finance department of the Group will maintain a database to record and monitor the aggregate transaction amounts under the continuing connected transactions from time to time and prepare a monthly report on the status of the aggregate transaction amounts which will be submitted to the finance director of the Group for review.
- (iv) Before conducting any transactions with connected persons, the finance department would confirm that the Group still has sufficient unused annual caps for carrying out the relevant continuing connected transactions. The finance department would on a regular basis review the continuing connected transactions carried out during the period under review to assess, and compile a report, on (i) whether the continuing connected transactions of the Group have been carried out in accordance with the terms of the relevant agreement and the Company's pricing policy; and (ii) the transactions amount during the month under review, the aggregate amount of transactions conducted during the relevant financial year and whether the relevant annual caps have been exceeded. If it is anticipated that the annual caps may be exceeded if the Company is to carry out the proposed transactions, it would take all appropriate steps in advance to comply with the relevant requirements under the Listing Rules including but not limited to revising the relevant annual caps before entering into the proposed transactions. In particular, when 80% of the amount under the relevant annual cap has been utilised, the finance department would send an alert to the operation unit and management, and they would be required to ascertain if there is still sufficient unused annual cap before accepting any further order from the relevant connected persons. When 90% of the amount under the relevant annual cap has been utilised, the Group will consider refusing orders from relevant connected persons until the relevant annual cap has been revised in compliance with the Listing Rules.
- (v) Every time before conducting any continuing connected transactions, the relevant department of the Group would first prepare the relevant individual agreement for the continuing connected transactions and submit it to the finance department and legal department of the Group for review and approval. The finance department and legal department of the Group would review the terms of the proposed transaction and the draft individual agreement to be entered into to make sure that the terms are in compliance with the pricing policy of the Group and the overall terms and conditions (including prices and payment terms) are no less favourable to the relevant member of the Group than those offered by Independent Third Parties. The transactions could only be carried out after the finance department and the legal department have given their approval therefor.

LETTER FROM THE BOARD

- (vi) The Company's internal control unit will on a half-year basis review the monitoring of the continuing connected transactions to ensure the abovementioned policies and procedures are adequate and effective, the findings of the review will be reported by the head of internal control unit to the finance director of the Company. The internal control unit regularly reviews and monitors whether the continuing connected transactions are conducted on normal commercial terms and in compliance with the policies and procedures. In the event of any non-compliance issue or inadequacy in the policies and procedures, the internal control unit will immediately report such matters to the independent non-executive directors and will take remedial actions.
- (vii) The independent non-executive Directors will be provided with the internal control report which sets out the matters subject to review, the methodology adopted, the findings of the internal control department as well as remedial actions taken (if any). Further, the management will provide independent non-executive Directors with half-yearly reports in respect of the on-going continuing connected transactions; sufficient information relating to (i) financial performance and position of the Company; (ii) the implementation of the continuing connected transactions and (iii) the agreement(s) on the continuing connected transactions to be entered into will also be provided to enable the independent non-executive Directors to make their independent judgment in reviewing the continuing connected transactions. The internal control department of the Company will alert the independent non-executive Directors of any deficiency of internal controls or non-compliance issue.
- (viii) All such personnel involved in the internal control procedures are independent of TCL Technology and its associates.

Specific internal control procedures and pricing policies

- (i) Before selling any Products to or purchasing any Materials from TCL Technology Group, the Group would ensure that the transactions are on normal commercial terms and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties. The internal control unit of the Group will compare the terms offered by TCL Technology Group with the terms offered by at least two Independent Third Parties and make an overall assessment of the terms offered, including the quality of the Products or Materials, past history of dealing with the such party (if any), payment terms and Product or Materials price, to ensure that those offered by TCL Technology Group is no less favourable to the Group than those offered by Independent Third Parties.

LETTER FROM THE BOARD

- (ii) Where no identical Products or Materials are offered by Independent Third Parties, the internal control unit will then obtain at least two quotations from Independent Third Parties in respect of similar or comparable Products or Materials and compare them with those offered by TCL Technology Group and determine whether on an overall evaluation of the prices, payment terms and other terms and conditions, the terms offered by TCL Technology Group are no less favourable to the Group than those offered by Independent Third Parties.
- (iii) The Group sets a minimum gross profit margin for the Products which is determined with reference to the average price of similar products offered by Independent Third Parties on open market, production cost and market competition. The said minimum gross profit margin will be reviewed and adjusted from time to time based on prevailing market demand and with a view to maintaining the Group's competitiveness amidst changing market condition. In the case where no quotations for identical, similar or comparable Materials can be obtained and the Group decides to purchase Materials from TCL Technology Group, if the cost of such Materials is so high that it will result in the gross profit margin of the relevant Product dropping below the prevailing minimum gross profit margin, the Group will consider whether to purchase such Materials from TCL Technology Group based on a basket of factors, including not limited to (i) whether the Group is able to obtain better offer from Independent Third Parties; (ii) whether the Group has available production capacity and manpower to handle the relevant order; (iii) the customers' demand and the long-term relationship with the customers; and (iv) the overall impact to the profitability of the Group, and the Group shall only proceed on such purchase from TCL Technology Group if it is in the interest of the Shareholders and the Group as a whole to do so.
- (iv) The Group will set up half-year targets for sale of Products and purchase of Materials, which should generally not exceed 50% of the total sale or purchase target (as the case may be) of the Group for the period, together with the annual revenue target of the Group, it could project the approximate amount of sale to and purchase from TCL Technology Group, which will be subject to review from time to time by its internal control unit depending on the surrounding circumstances such as Group's performance and overall market conditions. The finance department will provide the actual revenue in the end of each month to enable the sale unit and internal control unit to compare the actual sale and purchase figures against the sale and purchase targets, the sale limit as well as the latest revenue of the Group from time to time and to make necessary adjustment for the sale to and purchase from TCL Technology Group for the remaining half year period, if needed, to ensure that the Revenue Limit will not be exceeded.

LETTER FROM THE BOARD

- (v) The internal control unit of the Group will maintain a database to record (a) the total revenue of the Group; and (b) the aggregate amount of purchase of Materials from and sale of Products to TCL Technology Group. Where the Group proposes to make a sale which will result in the then aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group exceeding 45% of the then total revenue of the Group in the relevant financial year, the Group will favourably consider offers from other Independent Third Parties for purchase of Materials or sale of Products as and when appropriate and the internal control unit will notify the relevant department to temporarily decline or delay to process the sale or purchase instructions from the Group and any further instructions from the relevant departments can only be processed on a discretionary basis until there are sufficient purchases from or sales to other Independent Third Parties to ensure that the Revenue Limit for the corresponding financial year will not be exceeded. Where necessary, the Group will also consider refusing purchase of Materials from or sale of Products to TCL Technology Group until there is sufficient Revenue Limit and/or the relevant Revenue Limit has been revised in compliance with the Listing Rules (including but not limited to obtaining Shareholders' approval, where appropriate).

As at the Latest Practicable Date, other than the existing internal control procedure and pricing policies for conducting the transactions contemplated under the Master Sale and Purchase (2025-2027) Agreement (as amended and supplemented by the Supplemental Agreement), the Company has adopted the following enhanced internal control procedures to ensure the Revenue Limit, and in particular the 2025 Sale Revenue Limit will not be exceeded:

- (i) The finance department would on a monthly basis maintain and update a business forecast of the Group for the following three months in order to predict and monitor the transaction amount of continuing connected transactions in the relevant period and the ratio of the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group in comparison to the then total revenue of the Group; and
- (ii) If it is anticipated that the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group would exceed 45% of the then total revenue of the Group, the finance department would send an alert to the finance director and the operation director and monitor and record the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group and the revenue of the Group on a daily basis to ensure the 2025 Sale Revenue Limit and the relevant Revenue Limit is not exceeded.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, TCL Technology, the ultimate controlling shareholder of the Company, indirectly held approximately 64.20% of the number of issued Shares and therefore is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the revision contemplated under the Supplemental Agreement constitutes a material change to the continuing connected transactions under the Master Sales and Purchase (2025-2027) Agreement, the Company must re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions. As one or more of the applicable percentage ratios (other than the profits ratio) with reference to the Revised Annual Caps exceed 5%, the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps are subject to the reporting, announcement, Shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

An Independent Board Committee has been established by the Company to advise the Shareholders on the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps. The Company has appointed the Independent Financial Advisor to advise the Independent Board Committee and the Shareholders in this regard.

In accordance with the Listing Rules, any connected person of the Company and any Shareholder with a material interest in the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps and its close associate(s) must abstain from voting on the relevant resolution(s) at the SGM. As at the Latest Practicable Date, 1,357,439,806 Shares are held by High Value Ventures Limited, an indirect subsidiary of TCL Technology. Hence, as at the Latest Practicable Date, holders of a total number of 1,357,439,806 Shares, representing approximately 64.20% of the number of issued Shares, will abstain from voting on the resolution in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps to be put forward at the SGM.

Notwithstanding the respective interest and/or roles of certain Directors in TCL Technology Group, in particular, as at the Latest Practicable Date:

- (i) Mr. LIAO Qian who is deemed to be interested in 3,482,288 shares in TCL Technology (representing approximately 0.0176% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also an executive director, the senior vice president and the secretary of the board of directors of TCL Technology;

LETTER FROM THE BOARD

- (ii) Mr. ZHANG Feng who is deemed to be interested in 1,591,775 shares in TCL Technology (representing approximately 0.0081% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also the senior vice president of TCL CSOT;
- (iii) Mr. ZHANG Caili who is deemed to be interested in 575,006 shares in TCL Technology (representing approximately 0.0029% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO;
- (iv) Mr. XI Wenbo who is deemed to be interested in 602,763 shares in TCL Technology (representing approximately 0.0030% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also the vice president and head of financial centre of TCL CSOT; and
- (v) Mr. WANG Xinfu who is deemed to be interested in 9,350 shares in TCL Technology (representing approximately 0.000047% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO.

As each of their respective direct interest in TCL Technology Group is by virtue of common directorship/senior management role and/or the immaterial interest in shares of TCL Technology, their respective direct or indirect interests in TCL Technology Group are insignificant, none of them is considered as having a material interest in the transactions contemplated under the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement, therefore all Directors are entitled to vote on the Board resolution(s) for considering and approving the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps pursuant to the Bye-laws.

GENERAL INFORMATION OF THE PARTIES

Headquartered in the PRC, the Group is principally engaged in the research and development, manufacture, sale and distribution of LCD Modules. The Group is also one of the major suppliers of small and medium sized display modules in the PRC. The Group has its manufacturing plant in the PRC and distributes its products in Asia, with focus on Hong Kong and the PRC markets. For more information on the Group, please visit its official website at www.tclcdot.com (the information that appears in this website does not form part of this circular).

TCL Technology is a major PRC conglomerate and is principally engaged in two core industries of new display and new energy photovoltaic products. For more information on TCL Technology, please visit its official website at <http://www.tcltech.com> (the information that appears in that website does not form part of this circular). As at the Latest Practicable Date, based on the information available to the Directors, no shareholder of TCL Technology holds 10% or more equity interest in TCL Technology.

LETTER FROM THE BOARD

SGM

The Company will convene the SGM at 8th Floor, Building 22E, Phase Three, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on 24 September 2025, Wednesday at 3:00 p.m., as opposed to 30 September 2025, Tuesday as disclosed in the Announcement. At the SGM, resolutions will be proposed for the purposes of considering and, if thought fit, approving the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the proposed Revised Annual Caps. The notice of the SGM is set out on pages 62 to 64 of this circular.

A form of proxy for use at the SGM is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.tclcdot.com). Whether or not you are able to attend the SGM or any adjournment or postponement thereof (as the case may be) in person, please complete the form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://evoting.vistra.com>) by using the username and password provided on the notification letter sent by the Company, as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment or postponement thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the SGM or any adjourned or postponed meeting should you so wish.

RECORD DATE

Reference is made to the Announcement. In view of the new date of the SGM, the record date (being the last date of registration of any transfer of Shares given there will be no closure of register of members) for determining the entitlements of the Shareholders to attend and vote at the SGM will be changed from 24 September 2025, Wednesday to 18 September 2025, Thursday. In order to qualify to attend and vote at the SGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:30 p.m. on 18 September 2025, Thursday.

RECOMMENDATION

Your attention is drawn to (a) the letter from the Independent Board Committee set out on page 27 of this circular which contains the recommendation of the Independent Board Committee to the Shareholders regarding the resolution in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps to be proposed at the SGM; (b) the letter from Pelican Financial Limited, the Independent Financial Adviser, set out on pages 28 to 57 of this circular which contains its advice to the Independent Board Committee and the Shareholders in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps; and (c) additional information set out in the appendix to this circular.

LETTER FROM THE BOARD

The Independent Board Committee, having taken into account the advice (together with principal factors and reasons considered in arriving at such advice) of the Independent Financial Adviser, considers that the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement, the Revised Annual Caps and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and are entered in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps.

The Board are of the opinion that the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement, the Revised Annual Caps and the transactions contemplated thereunder are fair and reasonable; on normal commercial terms or better and in the ordinary and usual course of business of the Group; and in the interests of the Company and the Shareholders as a whole.

The Board also considers that the resolution(s) proposed in the notice of SGM are in the best interests of the Company and the Shareholders as a whole and therefore recommend you to vote in favour of all the relevant resolutions to be proposed at the SGM.

Yours faithfully,
By order of the Board
LIAO Qian
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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)

Date: 9 September 2025

To: the Shareholders

Dear Sirs or Madam,

REVISION OF REVENUE LIMIT AND ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS UNDER THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

We refer to the circular of the Company dated 9 September 2025 (the “**Circular**”) to the Shareholders, of which this letter forms part. Terms defined in the Circular bear the same meanings when used in this letter unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to consider and advise the Shareholders in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps under the Master Sale and Purchase (2025-2027) Agreement, details of which are set out in the Circular.

We wish to draw your attention to the letter from the Board and the letter from the Independent Financial Adviser set out on pages 6 to 26 and pages 28 to 57 of the Circular respectively.

Having taken into account of the advice (together with principal factors and reasons considered in arriving at such advice) of Pelican Financial Limited, the Independent Financial Adviser, we are of the opinion that the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement, the Revised Annual Caps and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and are entered in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps.

Yours faithfully,
HSU Wai Man, Helen,
XU Yan,
LI Yang,
YANG Qiulin
Independent Board Committee

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of the letter of recommendation from the Independent Financial Adviser to the Independent Board Committee and the Shareholders for the purpose of inclusion in this circular.



PELICAN FINANCIAL LIMITED

28/F Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong

9 September 2025

*To the Independent Board Committee and the independent Shareholders of
China Display Optoelectronics Technology Holdings Limited*

Dear Sirs,

REVISION OF REVENUE LIMIT AND ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS UNDER THE MASTER SALE AND PURCHASE (2025-2027) AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the independent Shareholders in respect of the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular of the Company dated 9 September 2025 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to (i) the announcement and the circular of the Company dated 10 September 2024 and 14 October 2024 respectively in relation to the Master Sale and Purchase (2025-2027) Agreement and (ii) the announcement of the Company dated 12 August 2025 (the “**Announcement**”), regarding the Supplemental Agreement dated 12 August 2025 entered into between the Company and TCL Technology to amend and supplement the Master Sale and Purchase (2025-2027) Agreement by revising the 2025 Sale Revenue Limit. Additionally, the Company anticipates that the Annual Caps under the Master Sale and Purchase (2025-2027) Agreement will not be sufficient to meet the demand of the Group and therefore proposes to revise the Annual Caps. Save for the aforesaid revision and the Revised Annual Caps, all other terms and conditions of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, TCL Technology, the ultimate controlling shareholder of the Company, indirectly held approximately 64.20% of the number of issued Shares and therefore is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the revision contemplated under the Supplemental Agreement constitutes a material change to the continuing connected transactions under the Master Sales and Purchase (2025-2027) Agreement, the Company must re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions. As one or more of the applicable percentage ratios (other than the profits ratio) with reference to the Revised Annual Caps exceed 5%, the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps are subject to the reporting, announcement, Shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

In accordance with the Listing Rules, any connected person of the Company and any Shareholder with a material interest in the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps and its close associate(s) must abstain from voting on the relevant resolution(s) at the SGM. As at the Latest Practicable Date, 1,357,439,806 Shares are held by High Value Ventures Limited, an indirect subsidiary of TCL Technology. Hence, as at the Latest Practicable Date, holders of a total number of 1,357,439,806 Shares, representing approximately 64.20% of the number of issued Shares, will abstain from voting on the resolution in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps to be put forward at the SGM.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notwithstanding the respective interest and/or roles of certain Directors in TCL Technology Group, in particular, as at the Latest Practicable Date: (i) Mr. LIAO Qian who is deemed to be interested in 3,482,288 shares in TCL Technology (representing approximately 0.0176% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also an executive director, the senior vice president and the secretary of the board of directors of TCL Technology; (ii) Mr. ZHANG Feng who is deemed to be interested in 1,591,775 shares in TCL Technology (representing approximately 0.0081% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also the senior vice president of TCL CSOT; (iii) Mr. ZHANG Caili who is deemed to be interested in 575,006 shares in TCL Technology (representing approximately 0.0029% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO; (iv) Mr. XI Wenbo who is deemed to be interested in 602,763 shares in TCL Technology (representing approximately 0.0030% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO and is also the vice president and head of financial centre of TCL CSOT; and (v) Mr. WANG Xinfu who is deemed to be interested in 9,350 shares in TCL Technology (representing approximately 0.000047% of the issued share capital of TCL Technology) within the meaning of Part XV of the SFO.

As each of their respective direct interest in TCL Technology Group is by virtue of common directorship/senior management role and/or the immaterial interest in shares of TCL Technology, their respective direct or indirect interests in TCL Technology Group are insignificant, none of them is considered as having a material interest in the transactions contemplated under the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement, therefore all Directors are entitled to vote on the Board resolution(s) for considering and approving the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps pursuant to the Bye-laws.

The Board currently comprises four executive Directors, one non-executive Directors and four independent non-executive Directors. The Independent Board Committee, which currently comprises all the independent non-executive Directors, namely Ms. HSU Wai Man, Helen, Mr. LI Yang, Mr. XU Yan and Ms. YANG Qiulin, has been established to advise the Independent Shareholders on the Supplemental Agreement and the Revised Annual Caps. We have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in this respect and such appointment has been approved by the Independent Board Committee.

OUR INDEPENDENCE

Pelican Financial Limited is not connected with the Directors, chief executive or substantial shareholders of the Company or any of their respective associates and therefore is considered suitable to give independent advice to the Independent Board Committee and the independent Shareholders.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In the last two years, other than our engagement by the Company to act as its independent financial advisor in respect of (i) supplemental agreement and the transactions contemplated under the Master Financial Services (2023-2025) Agreement as disclosed in its circular dated 22 November 2023; (ii) revision of annual cap for continuing connected transactions under the Master Sale and Purchase (2022-2024) Agreement as disclosed in its circular dated 26 April 2024; and (iii) further revision of annual cap for continuing connected transactions under the Master Sale And Purchase (2022-2024) Agreement and renewal of existing continuing connected transactions under Master Processing (2025-2027) Agreement, Master Sale and Purchase (2025-2027) Agreement and Master HR Subcontracting (2025-2027) Agreement as disclosed in its circular dated 14 October 2024, there was no other engagement between the Company and us.

Apart from normal professional fees payable to us in connection with this appointment of us as Independent Financial Adviser, no arrangement exists whereby Pelican Financial Limited will receive any fees or benefits from the Company or the Directors, chief executive or substantial shareholders of the Company or any of their respective associates. As at the Latest Practicable Date, there were no relationships or interests between us and the Group, TCL Technology Group or any of their respective substantial shareholders, directors or chief executives, or their respective associates that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser. Accordingly, we consider that we are eligible to give independent advice on the transactions contemplated under the Supplemental Agreement and the Revised Annual Caps.

Our role is to provide you with our independent opinion and recommendation as to whether the revision of 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and Revised Annual Caps and the transactions contemplated thereunder are (i) entered in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better, are fair and reasonable so far as the independent Shareholders are concerned and (iii) whether they are in the interests of the Company and the Shareholders as a whole; and (iv) how the independent Shareholders should vote in respect of the relevant resolutions regarding the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps at the SGM.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the independent Shareholders, we have performed relevant procedures and those steps which we deemed necessary in forming our opinions which include, among other things, review of relevant agreements, documents as well as information provided by the Company and verified them, to an extent, to the relevant public information, statistics and market data, the relevant industry guidelines and rules and regulations as well as information, facts and representations provided, and the opinions expressed, by the Company and/or the Directors and/or the management of the Group. The documents reviewed include, but are not limited to, the Master Sale and Purchase (2025-2027) Agreement, the Supplemental Agreement, the audited annual report for the year ended 31 December 2024 (the “**2024 Annual Report**”), the announcement of the Company dated 10 September 2024, the circular of the Company dated 14 October 2024, the Announcement and the Circular. We have assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or the Directors, which have been provided to us.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the management of the Group nor have we conducted any form of in-depth investigation into the business and affairs or the future prospects of the Group. The Company will notify the independent Shareholders of any material changes after the Latest Practicable Date and after the dispatch of the Circular. The independent Shareholders will also be notified of any material changes to such information provided and our opinion as soon as possible.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS TAKEN INTO CONSIDERATION

In formulating our opinion in respect of the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps, we have considered the following principal factors and reasons.

(a) Background information of the Parties

The Group

The Group, headquartered in the PRC, is principally engaged in the research and development, manufacture, sales and distribution of LCD Modules. The Group is also one of the major suppliers of small and medium-sized display modules in the PRC. The Group has its manufacturing plant in the PRC and distributes its products in Asia, with its focus on Hong Kong and the PRC markets.

TCL Technology

TCL Technology is a major PRC conglomerate and is principally engaged in two core industries of new display and new energy photovoltaic products. As at the Latest Practicable Date, based on the information available to the Directors, no shareholder of TCL Technology holds 10% or more equity interest in TCL Technology.

(b) Financial information of the Group

Set out below is a summary of the financial information of the Group for the two years ended 31 December 2024 as extracted from the 2024 Annual Report.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Table 1: Financial information of the Group

	For the year ended	
	31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Audited)</i>	<i>(Audited)</i>
<i>Revenue by types of goods or services</i>		
– Sale of industrial products	4,505,131	2,511,931
– Processing services	<u>44,275</u>	<u>64,875</u>
Total Revenue	4,549,406	2,576,806
Gross profit	196,319	174,051
Profit for the year	65,979	13,086

According to the 2024 Annual Report, the Group recorded a total revenue of RMB4,549.4 million for the year ended 31 December 2024, representing an increase of approximately 76.6%, compared with the corresponding period in 2023. Such an increase was mainly due to (i) the sales volume of the Group's tablet modules increased by 12.9 times year-on-year to 5.2 million units, (ii) the sales volume of commercial display products increased by 3.9 times year-on-year to 1.2 million units; and (iii) the high unit price of the Group's medium-sized products boosted the total average selling price of products for sale, which increased by 65.9% year-on-year to RMB97.3.

Although driven by the significant increase in sales, the Group recorded a decrease in the gross profit margin, which was approximately 4.3% as compared with 6.8% for the year ended 31 December 2023. This decrease in gross profit margin was mainly due to an increase in cost of sales by approximately RMB1,950.3 million or 81.2% from approximately RMB2,402.8 million for the year ended 31 December 2023, a rate faster than the 76.6% growth in total revenue.

The Group experienced an increase in profitability, from a profit of approximately RMB13.1 million for the year ended 31 December 2023 to a profit of approximately RMB66.0 million for the year ended 31 December 2024. The increase in profit was mainly attributable to (i) an increase in revenue by 76.6% to approximately RMB4,549.4 million, (ii) a decrease in selling and distribution expenses by 60.4% from approximately RMB19.8 million; and (iii) a decrease in other expenses of 88.7%, which included the decrease of realized loss and fair value loss on derivative financial instruments totaling approximately RMB52.3 million from approximately RMB53.7 million for the year ended 31 December 2023 to approximately RMB1.4 million for the year ended 31 December 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(c) **Reasons for and benefits of the transactions**

The Supplemental Agreement and revision of the 2025 Sale Revenue Limit

The Group has been purchasing Materials from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement that meets the specific demands of first-tier branded customers. The Group has also been selling Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement, which may be further processed or onward sold to Independent Third Party first-tier branded customers which the Group has yet to establish direct business relationships with.

It is understood that as the Group enhanced its production capacity and capabilities, it has been successfully listed as a supplier of certain Independent Third Party first-tier branded customers which are renowned consumer electronics and smart manufacturing companies offering a wide range of electronic appliances (“**End Customers**”). Such End Customers have also established business relationship with various members of TCL Technology Group for purchase of different types of electronic products. To streamline administration and accounting, the End Customers require all members of TCL Technology Group (including the Group) to centralise their dealings and sales through a single sales channel, which for the time being is one of the subsidiaries of TCL CSOT (“**TCL Sales Channel**”).

Under this arrangement, TCL Sales Channel serves as the direct point of sale with the End Customers and will, on behalf of other members of TCL Technology Group including the Group, accept orders from and settle payment with the End Customers. TCL Sales Channel will then make respective purchase from relevant members of TCL Technology Group for onward sale to the End Customers. It is in this context that the Group’s sale of Products to TCL Technology Group is made.

Following our discussion with the Company, we noted that although TCL Sales Channel is the point of sale vis-à-vis the End Customer, its function is purely administrative and supportive. Key points include:

- It acts as a “central platform” for order and payment processing only.
- All products are sold onward to End Customers at the exact same price the Group charges the TCL Sales Channel, with no markup.
- The Group directly manages all critical aspects of customer relations, including negotiating product specifications, delivery schedules, and payment terms, through direct communication with End Customers.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In this regard, we have reviewed three samples of purchase orders/agreements for Products from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement and compared them with three samples of purchase orders/agreements from End Customers to TCL Technology Group. We considered the sample size of three purchase orders/agreements to be fair and representative based on the following: (a) the samples were selected on a random basis from the transaction records for the period from 1 January 2025 to 31 July 2025 to avoid selection bias; (b) the samples covered a diverse range of Product types (e.g., different display module specifications) and transaction values to reflect the Group's typical sales mix; and (c) one of the primary purposes of this review was to verify the pricing mechanism, specifically that the TCL Sales Channel does not apply a markup and that the price charged by the Group to the TCL Sales Channel is identical to the price charged by the TCL Sales Channel to the End Customer. Our analysis confirmed that the unit prices are identical, indicating that the TCL Sales Channel sells Products to End Customers at the same price charged by the Group, without any markup.

It is understood that for the period from 1 January 2024 up to the Latest Practicable Date, substantial part of the sale of the Group's Products to TCL Technology Group under the Master Sale and Purchase (2022-2024) Agreement and the Master Sale and Purchase (2025-2027) Agreement were respectively made for the onward sale to Independent Third Party branded customers under such arrangement which is specifically catered for the End Customers' internal administrative and sourcing policy. Furthermore, the management of the Company has confirmed that there are no other undisclosed financial or operational benefits to TCL Technology Group as a result of this arrangement.

The purpose of revising the 2025 Sale Revenue Limit from 50% to 60% is to accommodate the increased order volume from End Customers, which is expected to exceed the current limit to approximately 59% for the year ending 31 December 2025. Adhering to the existing Revenue Limit of 50% would force the Group to reject significant orders, adversely impacting profitability, business performance, and the relationships with End Customers. The revision ensures the Group can capitalize on its strengthened market position and meet the growing demand without disruption.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have obtained and reviewed the actual amounts and details of sales of the Group's Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the period from 1 January 2025 up to 31 July 2025. We observed that approximately RMB1.24 billion, representing 31.6% of the Company's unaudited revenue for the seven months ended 31 July 2025, was made for the onward sale to aforesaid three major End Customers under such arrangement which is specifically catered for the End Customers' internal administrative and sourcing policy. Furthermore, we reviewed the actual amount and details of sales of the Group's Products to TCL Technology Group under the Master Sale and Purchase (2022-2024) Agreement for the year ended 31 December 2024, it indicates that approximately 64.3% of the historical amounts of the sale of the Group's Products to TCL Technology Group under the Master Sale and Purchase (2022-2024) Agreement were directed to the three major End Customers. For the year ending 31 December 2025, the sales of Products to the three major End Customers via TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement is expected to account for approximately 51% of total sales routed through TCL Technology Group.

Fueled by the Group's rapid business growth, total sales to TCL Technology Group are projected to increase significantly. The Group's total revenue increased by approximately 76.6% for the year ended 31 December 2024, and the revenue for the first seven months of 2025 showed a year-on-year increase of over 80%. While the concentration of sales to the three major End Customers is decreasing, sales to other End Customers via the TCL Sales Channel are expected to increase substantially in 2025. Based on existing and potential orders, the total sales to TCL Technology Group for the year ending 31 December 2025 are projected to be approximately RMB4.17 billion, representing approximately 59% of the projected total annual revenue of RMB7.04 billion. This projected percentage exceeds the existing 50% Revenue Limit. Accordingly, it is necessary to temporarily revise the 2025 Sale Revenue Limit to 60% to accommodate the higher transaction volume anticipated for the rest of the year 2025.

In such circumstances, the transaction amount of sale of Products to TCL Technology Group or the Revenue Limit, and the exceeding of which is not an accurate indicator of the Group's reliance, if any, on TCL Technology Group. As such, we concur with the revision of the 2025 Sale Revenue Limit will not directly result in the over reliance on TCL Technology Group. Upon the Group being able to make direct sales to such End Customers, the relevant transactions will no longer constitute continuing connected transactions under the Master Sale and Purchase (2025-2027) Agreement. It is therefore expected that sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the remaining term in 2026 to 2027 will be reduced accordingly.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On the other hand, the Group has put in effort to strive for a direct sales channel with the End Customers. As at the Latest Practicable Date, the Group has notified all End Customers of the Group's intention to establish a direct sale channel with End Customer in order to enhance the Group's operation independence. In particular, the Group has engaged in discussions with three of the major End Customers regarding the establishment of direct sale relationships with the Group. Subject to clearance of the relevant End Customer's internal procedures, the Group will be able to make direct sales to those End Customers earliest by the end of 2025 to early 2026.

In our view, it is feasible for the Company to establish direct sales channels with End Customers currently relying on the TCL Sales Channel, based on the following analysis: (a) the Group is not merely considering this possibility but has actively taken the initiative to approach all End Customers and engaged in discussions with three of its major End Customers to establish direct sales relationships, one of which will include such matter in the agenda for discussion at its internal meeting expected to be held in or about September or October 2025. This demonstrates concrete action and progress from both the Group and the End Customers; (b) the transition to direct sales is primarily subject to the End Customers' internal procedures for supplier onboarding and administrative changes. The timeline is not contingent on the Group's operational capabilities but rather on the administrative processes of its large, first-tier branded customers. As mentioned before, the Group manages all critical aspects of the customer relationship already, including negotiating product specifications, delivery, and payment terms directly with the End Customers; and (c) management has provided a timeline, estimating that direct sales could commence as early as the end of 2025 to early 2026. A more conservative estimate suggests the transition will take full effect by the second quarter of 2026, with all designated End Customers completing the switch by the end of 2026. Given that the transition is expected to be largely administrative, and taking into account the Group's unique product offering with limited market alternatives and its established relationships with End Customers, we consider the changes feasible.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given that (i) substantial portion of the sale of the Group's Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement were ultimately for Independent Third Party branded customers, in line with arrangements tailored to meet the End Customers' internal administrative and sourcing policies; (ii) maintaining the 50% Revenue Limit would force the Group to reject significant orders, which would be detrimental to its revenue, profitability, and customer relationships; (iii) these transactions are driven by End Customers' demand, with the TCL Sales Channel acting as a neutral administrator, the Revenue Limit is not an accurate indicator of commercial reliance in this specific context; (iv) the revision of the 2025 Sale Revenue Limit is a short-term measure to bridge the gap until the direct sales channels, which the Group is actively pursuing, are fully implemented; and (v) the Company will continue to negotiate with other End Customers with a view to establish a direct sales channel to further minimise TCL Sales Channel's involvement in sales made by the Group so as to enhance its operational independence, we consider that revision of the 2025 Sale Revenue Limit to 60% is necessary and reasonable, and in the best interest of the Company and the Shareholders as a whole.

Revision of the Annual Caps

Based on the 2024 Annual Report and the Board Letter, we noted that the Group deepened collaboration with TCL CSOT in the medium-sized professional display sector, leveraging combined technologies and resources to quickly adapt to market demands and deliver customized products to several top-tier branded customers. For the year ended 31 December 2024, the Group's sales volume increased to 49.3 million units, with revenue surging approximately 76.6% to RMB4,549.4 million. Moving forward, the Group aims to enhance production capacity through technological innovation, expand its industrial chain, and boost product competitiveness to strengthen its integrated panel and module business model with TCL CSOT, while capitalizing on its strengths to advance its new product business. The Company anticipates that the actual amount of purchases and sales will exceed the previous estimation and that the Annual Caps will not be sufficient to meet the Group's projected purchases and sales figure for the three years ending 31 December 2027. The revision of the Annual Caps will facilitate members of the Group to secure a stable and reliable supply of the necessary Materials for production of Products which meet the technical specification of first-tier branded customers and maintain a stable sale of Products to the End Customers which is placed through TCL Technology Group. Hence, the Revised Annual Caps will allow the Group to continue to grow its production scale and strengthen its economies of scale advantage, as well as to maintain more feasible options as to sale channels of its Products.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to Omdia's Quarterly Small and Medium Display Market Tracker¹, the small and medium display sector (under 9 inches) is expected to surpass 1 billion units in annual shipments for the first time in 2025, highlighting the resilient global demand. While shipments in the second quarter of 2025 are expected to soften by 10% quarter-on-quarter and 6% year-on-year due to temporary inventory adjustments after the supply chain build-ups in late 2024 and early 2025 in anticipation of potential U.S. tariff changes, the market traditionally strengthens in the second half of the year, particularly in smartphone and smartwatch applications. This positive outlook reflects a stable and growing market for the Group's business development.

After due and careful enquiry, it is noted that none of the current Independent Third Party suppliers of the Group has indicated any intention to discontinue the cooperation with the Group, the Group expects to maintain its existing portfolio of Independent Third Party suppliers and hence will retain diverse sources of supplies of Materials. Moreover, it is understood that TCL Technology Group supplies only one to two kinds of Materials to the Group. While the Group will continue to explore the feasibility of sourcing such Materials from other Independent Third Party suppliers, it would only source the requisite Materials from TCL Technology Group if it is the most cost efficient and practical source. In the event that the Group cannot source the requisite Materials from TCL Technology Group, the Group will obtain such Materials from Independent Third Party suppliers which offer the next most cost efficient supply, in which case the Group will discuss with the relevant customers to ascertain if modifications to their product orders are necessary based on the specifications of the Materials that are available from Independent Third Party suppliers.

According to the Board Letter, the Directors are of the view that the continuing connected transactions contemplated under the Master Sale and Purchase (2025-2027) Agreement will not result in significant reliance on TCL Technology Group, and we concur with this assessment for the following reasons:

- **Diversified Customer and Supplier Base:** The Group maintains a robust portfolio of Independent Third Party customers/suppliers, with no indications of discontinuation. The Group's expansion into new markets and its success in attracting new brand customers through advanced medium-sized display modules further diversify its revenue streams.
- **Strategic Shift to Direct Sales:** The anticipated establishment of direct sales channels with major End Customers will reduce the Group's dependence on TCL Sales Channel, aligning with its long-term goal of operational independence.

¹ Please refer to the Quarterly Small and Medium Display Market Tracker of Omdia, a global display market research firm, at <https://omdia.tech.informa.com/om135930/display-dynamics-june-2025-small-and-medium-display-shipments-should-decline-by-10-in-2q25-owing-to-inventory-adjustments>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- **Cost-Efficient Material Sourcing:** While the Group sources the requisite Materials from TCL Technology Group only when it is the most cost efficient option and meets with End Customer specifications, alternative suppliers are available to ensure flexibility in the supply chain.

In light of the above and the discussions on the section below titled “(g) Basis for determining the Revised Annual Caps”, we have also considered the Supplemental Agreement. It is noted that aside from the revision under the Supplemental Agreement and the Revised Annual Caps, all other terms and conditions of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged.

As such, we consider that the revision under the Supplemental Agreement and the Revised Annual Caps and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better, in ordinary and usual course of business of the Group and are in the interests of the Company and its Shareholders as a whole.

(d) Principal terms of the Master Sale and Purchase (2025-2027) Agreement

The Company has entered into the Master Sale and Purchase (2025-2027) Agreement with TCL Technology on 10 September 2024, pursuant to which, among other things, each member of the Group may, at its absolute discretion, request to purchase its required Materials from members of TCL Technology Group, and each member of TCL Technology Group may, at its absolute discretion, request to purchase Products from members of the Group. The Master Sale and Purchase (2025-2027) Agreement and the transactions contemplated thereunder together with the relevant annual caps for the three years ending 31 December 2027 were subsequently approved, confirmed and ratified by the Shareholders during a special general meeting held on 7 November 2024.

Principal terms and details of the Master Sale and Purchase (2025-2027) Agreement are set out in the announcement and circular of the Company dated 10 September 2024 and 14 October 2024 respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(e) Principal terms of the Supplemental Agreement

On 12 August 2025, the Company and TCL Technology entered into the Supplemental Agreement to amend and supplement the Master Sale and Purchase (2025-2027) Agreement by revising the 2025 Sale Revenue Limit.

Set out below are the principal terms of the Supplemental Agreement:

- Date: 12 August 2025 (after trading hours)
- Parties:
- (i) the Company (for itself and on behalf of the Group); and
 - (ii) TCL Technology (for itself and on behalf of TCL Technology Group).
- Condition Precedent: The Supplemental Agreement is conditional on and subject to compliance by the Company with relevant requirements of the Listing Rules, including but not limited to obtaining the Shareholders' approval at the SGM.
- Save as disclosed above, the Supplemental Agreement is not subject to other condition precedent.
- Major Terms: Subject to satisfaction of the condition precedent, the Revenue Limit for sale of Products by the Group to TCL Technology Group shall be amended and replaced to the effect that each of the Company and TCL Technology undertakes with each other that:
- (i) the aggregate amount of sales of Products to TCL Technology Group by the Group (a) for the year ending 31 December 2025 (i.e. the 2025 Sale Revenue Limit) shall not exceed 60% of the Group's then total revenue in the financial year ending 31 December 2025; and (b) for each of the year ending 31 December 2026 and 31 December 2027 shall not exceed 50% of the Group's then total revenue in each of the financial year ending 31 December 2026 and 31 December 2027 respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the avoidance of doubt, the Revenue Limit in respect of purchase of Materials from TCL Technology Group by the Group during the term of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged.

Save as the aforesaid and the proposed revision of Annual Caps as further disclosed in the Board Letter, all other terms and conditions of the Master Sale and Purchase (2025-2027) Agreement shall remain unchanged and continue in full force and effect.

(f) Historical figures and Proposed Revised Annual Caps

The following table sets out the respective relevant historical figures of the purchase of Materials from and sale of Products to TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement for the seven months ended 31 July 2025, the existing Annual Caps for the three years ending 31 December 2027 and the proposed Revised Annual Caps for the three years ending 31 December 2027 (where applicable):

	For the seven months ended 31 July 2025 (for actual amount only)/For the year ending 31 December 2025 (for 2025 Sale Annual Cap, 2025 Purchase Annual Cap and the relevant Revised Annual Caps) RMB'000	For the year ending 31 December 2026 RMB'000	For the year ending 31 December 2027 RMB'000
Master Sale and Purchase (2025-2027) Agreement			
<i>Sale of Products to TCL Technology Group</i>			
Existing Annual Caps	2,500,000	3,000,000	3,600,000
Actual amount	1,964,850	N/A	N/A
Utilisation Rate	78.6%	N/A	N/A
Proposed Revised Sale Annual Caps	4,200,000	3,800,000	N/A
<i>Purchase of Materials from TCL Technology Group</i>			
Existing Annual Caps	2,500,000	3,000,000	3,600,000
Actual amount	1,300,025	N/A	N/A
Utilisation Rate	52.0%	N/A	N/A
Proposed Revised Sale Annual Caps	3,200,000	3,800,000	4,180,000

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

For the avoidance of doubt, no revision to the Sale Annual Cap for the year ending 31 December 2027 is proposed.

(g) Basis for determining the Revised Annual Caps

Sale of Products to TCL Technology Group

As stated in the Board Letter, the proposed Revised Sale Annual Caps in relation to the Master Sale and Purchase (2025-2027) Agreement are determined with reference to (i) the historical revenue growth of the Group; (ii) the expected revenues based on existing and potential orders; (iii) the historical and projected sales to TCL Technology Group; (iv) the planned transition to direct transactions with Independent Third-Party Customers; (v) the assumption of stable product pricing; and (vi) the future organic revenue growth estimates. For further details, please refer to the section titled “Basis for Determining the Revised Annual Caps” in the Board Letter. In assessing the fairness and reasonableness of the proposed Revised Sales Annual Cap, we have discussed with the Company and obtained the relevant workings for review.

Regarding the revenue growth, as discussed in the section above titled “(c) Reasons for and benefits of the transactions”, it is understood that since the Group’s establishment of an integrated panel and module business model with TCL CSOT’s “t9” display panel production line in the fourth quarter of 2022, the Group has been equipped with the capability to meet the technical specifications of more first-tier branded customers, securing more orders from new brand customers. As disclosed in 2024 Annual Report, the revenue of the Group increased by approximately 76.6% to RMB4.59 billion for the year ended 31 December 2024. From our review on the unaudited management accounts of the Group, the Group recorded revenue of approximately RMB3.94 billion for the seven months ended 31 July 2025, representing a year-on-year increase of over 80%.

Following our inquiry with the Company, it is understood that the Company is optimistic about the market for medium-sized display modules. As demand for smart home devices and tablets continues to grow, the scope of applications for these modules is expanding, particularly in the education sector. The online learning model adopted during the pandemic remains prevalent, driving the digital transformation of education. Coupled with innovations in artificial intelligence, smart learning solutions are bringing profound changes to the education system.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have conducted independent research on trends in the smart home device and tablet markets. According to the data from Global Market Insights (GMI)², the global smart home market was valued at USD 183.2 billion in 2024 and is projected to grow from USD 199.4 billion in 2025 to USD 414.2 billion by 2034, with a CAGR of 8.5%. Meanwhile, according to the latest data from Canalys³, the worldwide tablet shipments reached 39 million units in Q2 2025, reflecting a 9% annual increase and a 5% sequential increase, driven primarily by robust demand in China and the EMEA (Europe, Middle East, and Africa) region. Based on this research, the outlook for the smart home device and tablet markets is expected to remain positive, aligning with the Group's expanded applications for medium-sized display products.

In addition, the proposed Revised Sale Annual Caps are determined with reference to the expected revenues based on existing and potential orders, which are expected to reach approximately RMB5.4 billion for the nine months ending 30 September 2025, and RMB7.04 billion for the year ending 31 December 2025. We have reviewed the projection calculations, which are based on (i) existing order quantities, production and shipment schedules, unit price of products; (ii) potential orders from new customers; and (iii) the Group's production capacity.

Regarding the historical and projected sales to TCL Technology Group, we have reviewed the projections, which indicate that the sales of Products are expected to (i) reach RMB2.59 billion by the end of September 2025, thereby exceeding the 2025 Sale Annual Cap; and (ii) reach RMB4.17 billion at the end of 2025. These projections are based on current trends and existing orders. To validate the reasonableness of the Company's sales projections, which are based on existing and potential orders, we performed the following work: (a) we have reviewed the projection methodology and calculation workings provided by the Company; (b) we have discussed with the Company the basis and assumptions underlying the projections, which include existing order quantities, production and shipment schedules, and unit prices of Products; (c) we have reviewed three samples of the existing sales contracts and purchase orders from End Customers to substantiate the order book figures used in the projection; (d) we have assessed the Group's stated production capacity and historical fulfillment rates to ascertain its ability to meet the projected demand. We have compared the projections against the Group's recent historical performance, noting that the unaudited revenue for the seven months ended 31 July 2025 already showed a year-on-year increase of over 80%, which lends credibility to the strong growth forecast for the full year. Based on the work performed, we are satisfied that the projections are based on a reasonable and prudent assessment by the Company. We also noted that the unaudited historical amount of sale of Products to TCL Technology Group has reached approximately RMB1.96 billion during the seven months ended 31 July 2025, representing 78.6% of the 2025 Sale Annual Cap.

² Please refer to the data on smart home market from GMI, a global professional research firm, at <https://www.gminsights.com/industry-analysis/smart-home-market>

³ Please refer to the research report "Global tablet shipments up for sixth quarter, Chromebook demand rebounded in Q2 2025" published by Canalys, a leading global technology market analyst firm, on 5 August 2025, at <https://www.canalys.com/newsroom/global-tablet-market-q2-2025>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As discussed in the section above titled “(c) Reasons for and benefits of the transactions”, due to industry common practices, some of the Independent Third Party first-tier branded customers currently only transact with one of the affiliates of TCL Technology Group rather than directly with the Group to purchase the Group’s Products, resulting in a significant increase in the amount of sale of Products to TCL Technology Group. The Company has been proactively addressing the issue by negotiating with and requesting certain designated Independent Third Party customers to switch to direct transactions with the Group. Since the transition requires coordination across multiple internal departments of the designated Independent Third Party customers and involves a lengthy process, a more conservative estimate suggests the adjustment will take full effect by the second quarter of 2026. All designated Independent Third Party customers are expected to complete the transition by the end of 2026. Once implemented, the amount of sale of Products to TCL Technology Group is expected to decrease significantly in the two years ending 31 December 2027.

In addition to the above, the proposed Revised Sale Annual Caps are also determined regarding the average price of Products, which is expected to remain stable throughout the three years ending 31 December 2027. According to Omdia’s forecast⁴, it is noted that both the revenue and shipments of amorphous silicon LCD (“A-si LCD”) display modules are expected to remain relatively stable throughout the three years ending 31 December 2027 and the lowest price of A-si LCD display module are predicted to remain at a similar level in line with the average price of the Group’s Products. For the year ended 31 December 2024 and the six months ended 30 June 2025, mobile phone display modules accounted for 74.2% and 73.8%, respectively, of the Group’s total shipments, while tablet display modules represented 10.5% and 12.9% over the same period. Given the relatively stable composition of the Group’s product mix and the anticipated steady pricing of A-Si LCD in the coming years, it is expected that the average price of Products will remain stable throughout the three years ending 31 December 2027. As mentioned before, we have reviewed independent market research on the small and medium display sector, including reports from Omdia, GMI, and Canalys. These reports indicate resilient global demand and a stable, growing market, which supports the assumption of stable average price of Products for the three years ending 31 December 2027.

⁴ Please refer to the Smartphone Display Special Report published by Omdia, a global display market research firm, at <https://omdia.tech.informa.com/om135764/smartphone-display-special-report-how-tariffs-will-affect-iphone-costs>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

To assess the fairness and reasonableness of the pricing basis of the sale of Products to TCL Technology Group, we have obtained, reviewed and examined random three purchase orders for Products from TCL Technology Group during January 2025 to July 2025, and compared them with three purchase orders for similar/comparable Product from Independent Third Parties during the same period. We considered the sample size of three quotations to be fair and representative based on: (a) random selection covering key Product types and varying transaction sizes; and (b) confirmation through management discussions that the samples reflect standard pricing mechanisms without anomalies. From the comparison, we note that the unit prices for sales of Products to TCL Technology Group, ranged approximately from RMB103.8 to RMB196.8, were competitive with, and in many cases more favourable to the Group, than the unit prices offered to Independent Third Parties, which ranged from RMB89.7 to RMB130.7.

The Group estimates an approximately 5% and 10% organic growth in revenue for the year ending 31 December 2026 and 2027 respectively. The Revised Sale Annual Cap for the year ending 31 December 2026 is proposed to be RMB3.80 billion. No revision to the Sale Annual Cap for the year ending 31 December 2027 is proposed as the amount of sale of Products to TCL Technology Group is expected to be within the existing annual cap of RMB3.60 billion.

In light of the above and our assessment of internal control procedures and the pricing policy as discussed in the below section headed “(h) Internal control procedures and pricing policy” of this letter, we are of the view that the proposed Revised Sale Annual Caps in relation to the Master Sale and Purchase (2025-2027) Agreement are fair and reasonable so far as the independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Purchase of Materials from TCL Technology Group

On the other hand, the proposed Revised Purchase Annual Caps in relation to the Master Sale and Purchase (2025-2027) Agreement are determined with reference to (i) the stable supply of Materials and technical capabilities of TCL Technology Group; (ii) the historical purchase growth; (iii) the projected purchase amounts needed; (iv) the assumption of stable Material pricing; and (v) the organic growth estimates in the Group’s production needs. For further details, please refer to the section titled “Basis for Determining the Revised Annual Caps” in the Board Letter. In assessing the fairness and reasonableness of the proposed Revised Purchase Annual Cap, we have discussed with the Company and obtained the relevant workings for review.

We understand that since establishing an integrated panel and module business model with TCL CSOT’s “t9” display panel production line in 2022, the Group has secured a stable supply of Materials and the technical capabilities to meet the specifications of first-tier branded customers, enabling it to secure additional orders from new clients.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Group's demand for Materials has increased proportionally with its revenue growth. From our review, it is noted that the unaudited historical amount of purchase of Materials from TCL Technology Group increased by approximately 79.4% year-on-year to reach RMB1.30 billion during the seven months ended 31 July 2025, accounting for 52.0% of the 2025 Purchase Annual Cap. The Group's anticipates that the amount of Materials needed for production to reach RMB2.68 billion by the end of November 2025 on the basis of the current trend and the existing orders on hand, which would exceed the existing 2025 Purchase Annual Cap. Consequently, the total purchase amount is expected to reach approximately RMB3.00 billion by the end of 2025.

To assess the fairness and reasonableness of the pricing of Materials supplied by TCL CSOT, we have reviewed three randomly selected quotations for one type of Material from TCL Technology Group under the Master Sale and Purchase (2025-2027) Agreement, covering January 2025 to July 2025, and compared them with three quotations for the same material of comparable sizes from Independent Third Parties suppliers during the same period. From our discussion with the Company's management, it is noted that this Material often requires bespoke processing, involving the production of an oversized sheet subsequently cut into precise dimensions. The Group's requirements for size, thickness, resolution, refresh rate, and brightness necessitate a specialized production line. Existing market production lines cannot meet these specifications, and setting up a new production line would involve significant additional costs and require the Group to commit to a minimum purchase volume.

We considered the sample size of three quotations to be fair and representative based on: (a) random selection covering key Material type and varying transaction sizes; (b) TCL Technology Group supplies only one to two types of Materials to the Group; (c) confirmation through management discussions that the samples reflect standard pricing mechanisms without anomalies; and (d) given that existing market production lines cannot readily meet the Group's unique specifications (size, thickness, resolution, etc.), direct price comparisons for identical materials are limited. Our three selected quotations were compared against quotations for the closest comparable material from Independent Third Parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The comparison showed that the slightly smaller material from Independent Third Party suppliers is priced at an average of approximately RMB14.1 per unit, higher than the slightly larger-sized Material from TCL Technology Group, which is priced at approximately RMB9.7 per unit. Additionally, TCL Technology Group's quotations include customized services, such as precision punching and curved cutting, which are critical for the Group's first-tier branded customers. Considering the following factors: (i) the adaptability of TCL CSOT's "t9" production line in meeting the Group's unique specifications; (ii) the longstanding, positive relationship between the Company and TCL Technology Group; (iii) the general reluctance of other manufacturers to establish new production lines without guaranteed volume commitments; and (iv) the competitive pricing and specialized services offered by TCL Technology Group, we are of the view that the price of the Materials supplied by TCL Technology Group were no less favourable than the Materials supplied by the Independent Third Parties.

Additionally, we understand that the "t9" display panel production line of TCL CSOT supplies only one to two kinds of Materials to the Group and is capable of providing a stable supply of such Materials at more competitive terms and pricing as compared to other Independent Third Party suppliers. To reduce production costs and enhance corporate competitiveness, the Group has progressively increased procurement of Materials from TCL Technology Group, including sourcing Materials for a new project from the "t9" display panel production line of TCL CSOT. While the Group continues to explore the market for alternatives, this sourcing trend is expected to continue for the time being. We have obtained the relevant workings of the new project for review, which show amongst others, the new project contributed RMB57 million to the purchase amount of Materials during the six months ended 30 June 2025. Unless the Group could identify another source of similarly priced Materials from Independent Third Party suppliers, the Group is expected to continue sourcing from TCL Technology Group, hence the amount of purchase of Materials from TCL Technology Group related to this project is expected to reach RMB120 million for the year ending 31 December 2026.

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The average cost of Materials is expected to remain stable for the three years ending 31 December 2027. Together with the increased purchases for the new project, the Group estimates an organic growth in Material purchases of approximately 15% for the year ending 31 December 2026, and 10% for the year ending 31 December 2027. Accordingly, the proposed Revised Purchase Annual Caps are RMB3.80 billion for 2026 and RMB4.18 billion for 2027. Having considered that (a) the growth in Material purchases aligns with projected sales growth due to the expanded production capacity and expected new orders; (b) the sales volume of commercial display products increased by 3.9 times year-on-year to 1.2 million units for the year ended 31 December 2024; (c) Material requirements are increasing for a new project sourcing specific Materials from TCL CSOT's "t9" display panel production line, which contributed RMB57 million to the amount of Materials purchased for the six months ended 30 June 2025 and is expected to increase to RMB120 million for the year ending 31 December 2026; and (d) the Group has been progressively increasing its procurement from TCL Technology Group, which provides a stable supply of key materials at competitive terms and pricing, crucial for reducing production costs and meeting the technical specifications of first-tier branded customers, we are of the view that the growth is volume-driven, and that the organic growth in Material purchases of approximately 15% for the year ending 31 December 2026, and 10% for the year ending 31 December 2027 are fair and reasonable.

In light of the above and our assessment of internal control procedures and the pricing policy as discussed in the below section headed "(h) Internal control procedures and pricing policy" of this letter, we are of the view that the proposed Revised Purchase Annual Caps in relation to the Master Sale and Purchase (2025-2027) Agreement are fair and reasonable so far as the independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(h) Internal control procedures and pricing policy

As set out in the Board Letter, the Group will continue to follow the internal control procedure and the pricing policies as stated in the announcement and circular of the Company dated 10 September 2024 and 14 October 2024 respectively when conducting the transactions contemplated under the Revised Annual Caps and the Master Sale and Purchase (2025-2027) Agreement (as amended and supplemented by the Supplemental Agreement). The aforementioned internal control procedures and pricing policies in respect of the sale of Products to and purchase of Materials from TCL Technology Group are set out below for easy reference:

General internal control procedures and pricing policies

- (i) The finance department of the Company has maintained a list of transaction parties (the “**Transaction Parties List**”) of all material transactions and highlighted those who are connected persons of the Company so that staff members could identify transactions that constitute connected transactions of the Company. Whenever the relevant department of the Company intends to enter into transaction with an entity, the relevant department would check against the Transaction Parties List to see if the such entity is a connected person of the Company, and if so the connected transaction would be subject to applicable review and monitoring procedures (including those set out herein, if applicable) to ensure the connected transactions would be on normal commercial terms and on terms no less favourable from the perspective of the Group.
- (ii) The finance department of the Company has, on a quarterly basis, counterchecked with each party in the Transaction Parties List to ascertain whether they are a connected person of the Company, so as to maintain the list of connected persons (the “**Connected Person List**”) for the staff members to identify transactions constituting connected transactions of the Company. Any alteration to the Connected Person List could only be made after checking with the counterparty to ascertain the relationship with the Company, in the case of addition of a connected relationship, evidence such as organisation chart will have to be obtained, and in the case of cessation of a connected relationship, evidence will have to be obtained to confirm the date of cessation as a connected person of the Company. Whenever there is an update to the Connected Person List, it must be reported and approved by the management of the Group to ensure the management is aware of such update.
- (iii) The finance department of the Group will maintain a database to record and monitor the aggregate transaction amounts under the continuing connected transactions from time to time and prepare a monthly report on the status of the aggregate transaction amounts which will be submitted to the finance director of the Group for review.

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- (iv) Before conducting any transactions with connected persons, the finance department would confirm that the Group still has sufficient unused annual caps for carrying out the relevant continuing connected transactions. The finance department would on a regular basis review the continuing connected transactions carried out during the period under review to assess, and compile a report, on (i) whether the continuing connected transactions of the Group have been carried out in accordance with the terms of the relevant agreement and the Company's pricing policy; and (ii) the transactions amount during the month under review, the aggregate amount of transactions conducted during the relevant financial year and whether the relevant annual caps have been exceeded. If it is anticipated that the annual caps may be exceeded if the Company is to carry out the proposed transactions, it would take all appropriate steps in advance to comply with the relevant requirements under the Listing Rules including but not limited to revising the relevant annual caps before entering into the proposed transactions. In particular, when 80% of the amount under the relevant annual cap has been utilised, the finance department would send an alert to the operation unit and management, and they would be required to ascertain if there is still sufficient unused annual cap before accepting any further order from the relevant connected persons. When 90% of the amount under the relevant annual cap has been utilised, the Group will consider refusing orders from relevant connected persons until the relevant annual cap has been revised in compliance with the Listing Rules.
- (v) Every time before conducting any continuing connected transactions, the relevant department of the Group would first prepare the relevant individual agreement for the continuing connected transactions and submit it to the finance department and legal department of the Group for review and approval. The finance department and legal department of the Group would review the terms of the proposed transaction and the draft individual agreement to be entered into to make sure that the terms are in compliance with the pricing policy of the Group and the overall terms and conditions (including prices and payment terms) are no less favourable to the relevant member of the Group than those offered by Independent Third Parties. The transactions could only be carried out after the finance department and the legal department have given their approval therefor.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (vi) The Company's internal control unit will on a half-year basis review the monitoring of the continuing connected transactions to ensure the abovementioned policies and procedures are adequate and effective, the findings of the review will be reported by the head of internal control unit to the finance director of the Company. The internal control unit regularly reviews and monitors whether the continuing connected transactions are conducted on normal commercial terms and in compliance with the policies and procedures. In the event of any non-compliance issue or inadequacy in the policies and procedures, the internal control unit will immediately report such matters to the independent non-executive directors and will take remedial actions.
- (vii) The independent non-executive Directors will be provided with the internal control report which sets out the matters subject to review, the methodology adopted, the findings of the internal control department as well as remedial actions taken (if any). Further, the management will provide independent non-executive Directors with half-yearly reports in respect of the on-going continuing connected transactions; sufficient information relating to (i) financial performance and position of the Company; (ii) the implementation of the continuing connected transactions and (iii) the agreement(s) on the continuing connected transactions to be entered into will also be provided to enable the independent non-executive Directors to make their independent judgment in reviewing the continuing connected transactions. The internal control department of the Company will alert the independent non-executive Directors of any deficiency of internal controls or non-compliance issue.
- (viii) All such personnel involved in the internal control procedures are independent of TCL Technology and its associates.

Specific internal control procedures and pricing policies

- (i) Before selling any Products to or purchasing any Materials from TCL Technology Group, the Group would ensure that the transactions are on normal commercial terms and on terms no less favourable from the perspective of the Group than those offered by Independent Third Parties. The internal control unit of the Group will compare the terms offered by TCL Technology Group with the terms offered by at least two Independent Third Parties and make an overall assessment of the terms offered, including the quality of the Products or Materials, past history of dealing with the such party (if any), payment terms and Product or Materials price, to ensure that those offered by TCL Technology Group is no less favourable to the Group than those offered by Independent Third Parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (ii) Where no identical Products or Materials are offered by Independent Third Parties, the internal control unit will then obtain at least two quotations from Independent Third Parties in respect of similar or comparable Products or Materials and compare them with those offered by TCL Technology Group and determine whether on an overall evaluation of the prices, payment terms and other terms and conditions, the terms offered by TCL Technology Group are no less favourable to the Group than those offered by Independent Third Parties.
- (iii) The Group sets a minimum gross profit margin for the Products which is determined with reference to the average price of similar products offered by Independent Third Parties on open market, production cost and market competition. The said minimum gross profit margin will be reviewed and adjusted from time to time based on prevailing market demand and with a view to maintaining the Group's competitiveness amidst changing market condition. In the case where no quotations for identical, similar or comparable Materials can be obtained and the Group decides to purchase Materials from TCL Technology Group, if the cost of such Materials is so high that it will result in the gross profit margin of the relevant Product dropping below the prevailing minimum gross profit margin, the Group will consider whether to purchase such Materials from TCL Technology Group based on a basket of factors, including not limited to (i) whether the Group is able to obtain better offer from Independent Third Parties; (ii) whether the Group has available production capacity and manpower to handle the relevant order; (iii) the customers' demand and the long-term relationship with the customers; and (iv) the overall impact to the profitability of the Group, and the Group shall only proceed on such purchase from TCL Technology Group if it is in the interest of the Shareholders and the Group as a whole to do so.
- (iv) The Group will set up half-year targets for sale of Products and purchase of Materials, which should generally not exceed 50% of the total sale or purchase target (as the case may be) of the Group for the period, together with the annual revenue target of the Group, it could project the approximate amount of sale to and purchase from TCL Technology Group, which will be subject to review from time to time by its internal control unit depending on the surrounding circumstances such as Group's performance and overall market conditions. The finance department will provide the actual revenue in the end of each month to enable the sale unit and internal control unit to compare the actual sale and purchase figures against the sale and purchase targets, the sale limit as well as the latest revenue of the Group from time to time and to make necessary adjustment for the sale to and purchase from TCL Technology Group for the remaining half year period, if needed, to ensure that the Revenue Limit will not be exceeded.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (v) The internal control unit of the Group will maintain a database to record (a) the total revenue of the Group; and (b) the aggregate amount of purchase of Materials from and sale of Products to TCL Technology Group. Where the Group proposes to make a sale which will result in the then aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group exceeding 45% of the then total revenue of the Group in the relevant financial year, the Group will favourably consider offers from other Independent Third Parties for purchase of Materials or sale of Products as and when appropriate and the internal control unit will notify the relevant department to temporarily decline or delay to process the sale or purchase instructions from the Group and any further instructions from the relevant departments can only be processed on a discretionary basis until there are sufficient purchases from or sales to other Independent Third Parties to ensure that the Revenue Limit for the corresponding financial year will not be exceeded. Where necessary, the Group will also consider refusing purchase of Materials from or sale of Products to TCL Technology Group until there is sufficient Revenue Limit and/or the relevant Revenue Limit has been revised in compliance with the Listing Rules (including but not limited to obtaining Shareholders' approval, where appropriate).

As at the Latest Practicable Date, other than the existing internal control procedure and pricing policies for conducting the transactions contemplated under the Master Sale and Purchase (2025-2027) Agreement (as amended and supplemented by the Supplemental Agreement), the Company has adopted the following enhanced internal control procedures to ensure the Revenue Limit, and in particular the 2025 Sale Revenue Limit will not be exceeded:

- (i) The finance department would on a monthly basis maintain and update a business forecast of the Group for the following three months in order to predict and monitor the transaction amount of continuing connected transactions in the relevant period and the ratio of the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group in comparison to the then total revenue of the Group; and
- (ii) If it is anticipated that the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group would exceed 45% of the then total revenue of the Group, the finance department would send an alert to the finance director and the operation director and monitor and record the aggregate amount of purchase of Materials from or sale of Products to TCL Technology Group and the revenue of the Group on a daily basis to ensure the 2025 Sale Revenue Limit and the relevant Revenue Limit is not exceeded.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our assessment of internal control procedures and the pricing policy

In assessing whether the above internal control measures and pricing policy are put in place and effectively implemented, we have obtained and reviewed (i) the records for evaluation of three sample quotations offered by/to TCL Technology Group from January 2025 to July 2025; (ii) the records for evaluation of three sample quotations offered by/to Independent Third Parties during January 2025 to July 2025; and (iii) three randomly-selected record from the database, which recorded the aggregate transaction amounts under the continuing connected transactions for the month, as well as the monthly reports that will be submitted to finance director of the Group for review.

Our review found that the quotation evaluation records from both TCL Technology Group and Independent Third Party are comprehensive, detailing the reviewing department, specific approval personnel, approval dates, and processing opinions. Each quotation was reviewed by at least six individuals, including the head of resource development, financial department staff, financial accounting and reporting specialists, the deputy general manager, and the general manager. Additionally, the three randomly selected database records and monthly reports demonstrate a robust tracking system to ensure transaction amounts do not exceed the annual caps. This confirms that a thorough approval process and monitoring system are in place to ensure compliance with the annual caps.

We are satisfied that the internal control measures and pricing policy are adequate and effective, based on the following:

- (i) the existing transactions under the Master Sale and Purchase (2025-2027) Agreement have been conducted in accordance with its terms;
- (ii) quotations for Products/Materials to/from TCL Technology Group are compared against market benchmarks and Independent Third Party for similar Products/Materials;
- (iii) a monitoring system is in place, managed by the Group's finance department, to ensure that the annual caps are not exceeded;
- (iv) the pricing and proposed annual caps are reviewed annually by the Group's auditors, internal audit department, and the Company's audit committee; and
- (v) there is appropriate segregation of duties in the internal control procedures, with personnel independent from TCL Technology Group.

Based on this assessment, we are satisfied that the internal control measures and procedures are adequate and effective in ensuring that the transactions contemplated under the Supplemental Agreement, and the Revised Annual Caps will be entered on normal commercial terms and are comparable to, or no less favorable than, market prices and terms.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the opinion that the revision of 2025 Sales Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps are (i) entered in the ordinary and usual course of business of the Group; (ii) on normal commercial terms, fair and reasonable so far as the independent Shareholders are concerned and (iii) in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the independent Shareholders to vote in favor of the relevant resolutions regarding the revision of the 2025 Sale Revenue Limit contemplated under the Supplemental Agreement and the Revised Annual Caps at the SGM.

Yours faithfully,
For and on behalf of
Pelican Financial Limited
Charles Li*
Managing Director

* *Charles Li is a responsible person registered under the SFO to carry out Type 6 (advising on corporate finance) regulated activity for Pelican Financial Limited and has over 30 years of experience in the accounting and financial services industry.*

1. RESPONSIBILITY OF THE DIRECTORS

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (“**Model Code**”), to be notified to the Company and the Stock Exchange, were as follows:

(a) Interest in associated corporations of the Company – Long Positions

TCL Technology (Note 1)

Name of Directors	Nature of Interest	Number of ordinary shares held		Number of underlying shares held under equity derivatives	Total	Approximate percentage of issued share capital of TCL Technology (Note 3)
		Personal Interest	Other Interest (Note 2)			
LIAO Qian	Beneficial owner	2,440,829	1,041,459	–	3,482,288	0.0176%
ZHANG Feng	Beneficial owner	1,129,894	461,881	–	1,591,775	0.0081%
ZHANG Caili	Beneficial owner	129,025	427,976	–	575,006	0.0029%
	Interest of spouse	–	18,005			
XI Wenbo	Beneficial owner	583,646	319,117	–	602,763	0.0030%
WANG Xinfu	Beneficial owner	9,350	–	–	9,350	0.000047%

Notes:

1. TCL Technology, a joint stock limited company established under the laws of the PRC, is the ultimate controlling shareholder of the Company.
2. These interests are incentive shares that has been granted to the relevant Director under the incentive scheme adopted by TCL Technology and were not vested as at the Latest Practicable Date.

3. Such percentage was calculated based on the number of issued shares of TCL Technology as at the Latest Practicable Date, being 19,765,372,873 shares in issue, as informed by TCL Technology.

As at the Latest Practicable Date, the following Directors were directors/employees of a company which had an interest in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

- (a) Mr. LIAO Qian was also an executive director, senior vice president and secretary of the board of directors of TCL Technology.
- (b) Mr. ZHANG Feng was also the senior vice president of TCL CSOT.
- (c) Mr. ZHANG Caili was also the vice president and general manager of the manufacturing centre of TCL CSOT.
- (d) Mr. XI Wenbo was also the vice president and head of financial centre of TCL CSOT.

Save as disclosed in this section, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

3. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since the date to which the latest published audited accounts for the financial year ended 31 December 2024 of the Group were made up.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTEREST IN THE GROUP'S ASSETS

As at the Latest Practicable Date, none of the Directors had any interest in any assets which have been, since 31 December 2024 (being the date to which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group as referred to in paragraph 40 of Appendix D1B to the Listing Rules.

As at the Latest Practicable Date, none of the Directors had any material interest in any contract or arrangement which was subsisting and significant in relation to the business of the Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, the Directors were not aware that any of them (or his/her respective close associates) had direct or indirect interests in any business which competes or was likely to compete, either directly or indirectly, with the business of the Group which would fall to be discloseable under the Listing Rules.

7. EXPERT AND CONSENT

The following is the qualifications of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Pelican Financial Limited	A licensed corporation under the SFO to conduct Type 6 (advising on corporate finance) regulated activities for the purpose of the SFO

Pelican Financial Limited, the Independent Financial Adviser, has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter dated 9 September 2025 and references to its name, in the form and context in which it appears.

As at the Latest Practicable Date, Pelican Financial Limited did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group and (ii) any direct or indirect interest in any assets which have, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up), been acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

8. MISCELLANEOUS

This circular is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.

9. DOCUMENTS ON DISPLAY

Electronic copies of the following documents are published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.tclcdot.com) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the Master Sale and Purchase (2025-2027) Agreement.
- (b) the Supplemental Agreement.

NOTICE OF SGM

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)

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of China Display Optoelectronics Technology Holdings Limited (the “**Company**”) will be held at 8th Floor, Building 22E, Phase Three, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong, on 24 September 2025, Wednesday, at 3:00 p.m., for the purposes of considering and, if thought fit, passing the following ordinary resolution(s) (with or without modifications):

ORDINARY RESOLUTION(S)

To consider and, if thought fit, pass the following resolution(s) (with or without modification) as ordinary resolution(s) of the Company:

1. “**THAT:**

- (a) the Supplemental Agreement (as defined in the circular of the Company dated 9 September 2025), a copy of which has been produced to the meeting and marked “A” and initialled by the chairperson of the meeting for the purpose of identification, the terms and the transactions thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the directors of the Company be and is hereby authorised to sign and execute such other documents or supplemental agreements or deeds for and on behalf of the Company and to do all such acts and take all such steps as he/she or they may consider necessary, desirable or expedient for the purpose of carrying out or giving effect to or otherwise in connection with the Supplemental Agreement or the transactions contemplated thereunder, and to agree with such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company and the shareholders of the Company as a whole, provided that such variation, amendment or waiver shall not be material in nature.”

2. “**THAT:**

- (a) the Revised Annual Caps (as defined in the circular of the Company dated 9 September 2025) be and is hereby approved, confirmed and ratified; and

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- (b) any one or more of the directors of the Company be and is hereby authorised to do all such acts and take all such actions as he/she or they may consider necessary, desirable or expedient for the purpose of carrying out or giving effect to or otherwise in connection with the Revised Annual Caps or the transactions contemplated thereunder.”

By order of the Board

LIAO Qian

Chairman

Hong Kong, 9 September 2025

Notes:

1. A member of the Company who is a holder of two or more Shares, and who is entitled to attend and vote at the SGM is entitled to appoint more than one proxy or a duly authorised corporate representative to attend and vote in his stead. A proxy needs not be a member of the Company.
2. A form of proxy for the SGM is enclosed with the Company's circular dated 9 September 2025. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.tclcdot.com). In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a valid power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://evoting.vistra.com>) by using the username and password provided on the notification letter sent by the Company, not less than 48 hours before the time appointed for holding the SGM or any adjournment or postponement thereof. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the SGM and any adjournment or postponement thereof should he so wish. In such event, his form of proxy will be deemed to have been revoked.
3. Reference is made to the announcement of the Company dated 12 August 2025. In view of the new date of the SGM, the record date (being the last date of registration of any transfer of Shares given there will be no closure of register of members) for determining the entitlements of the shareholders of the Company to attend and vote at the Meeting will be changed from 24 September 2025, Wednesday to 18 September 2025, Thursday. In order to qualify for the aforesaid entitlements, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on 18 September 2025, Thursday.
4. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders, stand on the register in respect of the relevant joint holding.

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5. If a tropical cyclone signal no. 8 or above or a black rainstorm warning signal or “extreme conditions” as defined under Chapter 1 of the Rules of the Exchange of the Stock Exchange is/are in force at or at any time after 12:00 noon on the date of the SGM and/or the Hong Kong Observatory and/or the government of Hong Kong (as the case may be) has announced at or before 12:00 noon on the date of the SGM that either of the above mentioned warnings is to be issued within the next two hours, the SGM will be postponed. The Company will publish an announcement to notify Shareholders of the date, time and place of the postponed SGM.

The SGM will be held as scheduled when an amber or red rainstorm warning signal is in force. Shareholders of the Company should decide on their own whether they would attend the SGM under bad weather conditions bearing in mind their own situation.

As at the date of this notice, the Board comprises Mr. LIAO Qian as Chairman and non-executive Director; Mr. ZHANG Feng, Mr. XI Wenbo, Mr. WANG Xinfu and Mr. ZHANG Caili as executive Directors; and Ms. HSU Wai Man Helen, Mr. XU Yan, Mr. LI Yang and Ms. YANG Qiulin as independent non-executive Directors.