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VARITRONIX

VARITRONIX INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 710)

- (1) COMPLETION OF SUBSCRIPTION OF NEW SHARES;**
- (2) SPECIAL DIVIDEND;**
- (3) CHANGE OF DIRECTORS;**
- (4) REDESIGNATION OF CO-CHIEF EXECUTIVE OFFICER;**
- (5) CHANGE OF BOARD COMMITTEES MEMBERS;**
- (6) CHANGE OF COMPANY SECRETARY; AND**
- (7) CHANGE OF AUTHORISED REPRESENTATIVE**

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all conditions precedent in respect of the Subscription have been fulfilled and Completion took place on 28 April 2016.

SPECIAL DIVIDEND

The Board is pleased to announce that the Special Dividend of HK\$1.35 per Share will be paid to the Shareholders whose names appear on the Company's register of members on Friday, 17 June 2016. The Special Dividend is expected to be paid to the Shareholders in Hong Kong dollars on 8 July 2016. No Special Dividend will be paid to the Subscriber as it has agreed to waive its entitlement.

CHANGE OF DIRECTORS

The Board announces that (i) Mr. Ko resigned as an executive Director and the chairman of the Board and (ii) Mr. Ho resigned as an executive Director, both with effect from 28 April 2016 upon Completion.

Mr. Yao has been appointed as an executive Director and the chairman of the Board, Mr. Su has been appointed as an executive Director and a co-chief executive officer of the Company, and Ms. Yang, Mr. Dong and Mr. Yuan have been appointed as non-executive Directors by the Board, all with effect from 28 April 2016 upon Completion.

REDESIGNATION OF CO-CHIEF EXECUTIVE OFFICER

Ms. Ko Wing Yan, Samantha, an executive Director, has been redesignated from the chief executive officer to a co-chief executive officer of the Company with effect from 28 April 2016 upon Completion.

CHANGE OF BOARD COMMITTEES MEMBERS

Mr. Ko ceased to be a member of the Remuneration Committee and the Nomination Committee, and Dr. Lo Wing Yan, William J.P. ceased to be the chairman of the Nomination Committee (but shall remain as a member thereof), all with effect from 28 April 2016 upon Completion.

Mr. Yao, Ms. Ko Wing Yan, Samantha and Mr. Chau Shing Yim, David have been appointed as members of the Remuneration Committee, Mr. Yao has been appointed as the chairman of the Nomination Committee, and Mr. Su and Mr. Chau Shing Yim, David have been appointed as members of the Nomination Committee, all with effect from 28 April 2016 upon Completion.

CHANGE OF COMPANY SECRETARY

Mr. Ho resigned and Mr. Pang Tien Kin has been appointed as the Company Secretary, both with effect from 28 April 2016 upon Completion.

CHANGE OF AUTHORISED REPRESENTATIVE

Mr. Ho ceased to be an Authorised Representative and Mr. Pang Tien Kin has been appointed as an Authorised Representative, both with effect from 28 April 2016 upon Completion.

Reference is made to the circular of Varitronix International Limited (the “Company”) dated 22 March 2016 (the “Circular”) and the announcements of the Company dated 16 February 2016 and 21 April 2016. Capitalised terms used herein shall have the same meanings as defined in the Circular unless the context requires otherwise.

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that all conditions precedent in respect of the Subscription set out under the sub-section headed “Conditions of the Subscription” under the section headed “The Subscription Agreement” in the Letter from the Board of the Circular have been fulfilled and Completion took place on 28 April 2016. Upon Completion, 400,000,000 Subscription Shares have been duly allotted and issued as fully paid to BOE (HK). Accordingly, immediately after Completion, there are 731,245,204 Shares in issue.

The following table shows the shareholding structure of the Company (i) immediately before Completion; (ii) as at the date of this announcement immediately after Completion; and (iii) immediately after Completion assuming the exercise in full of the outstanding Share Options:

	Immediately before Completion		At the date of this announcement immediately after Completion		Immediately after Completion assuming the exercise in full of the outstanding Share Options	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
The Subscriber (Note 2)	–	–	400,000,000	54.70%	400,000,000	53.82%
Mr. Ko (Note 1)	54,651,000	16.50%	NA	NA	NA	NA
Ms. Ko Wing Yan, Samantha (Note 3)	247,000	0.07%	247,000	0.03%	2,247,000	0.30%
Mr. Ho Te Hwai, Cecil (“Mr. Ho”) (Note 1)	250,000	0.08%	NA	NA	NA	NA
Dr. Lo Wing Yan, William J.P. (Note 3)	–	–	–	–	380,000	0.05%
Mr. Chau Shing Yim, David (Note 3)	–	–	–	–	460,000	0.06%
Mr. Hou Ziqiang (Note 3)	–	–	–	–	700,000	0.09%
<i>Sub-total</i>	<u>55,148,000</u>	<u>16.65%</u>	<u>400,247,000</u>	<u>54.73%</u>	<u>403,787,000</u>	<u>54.32%</u>
Public Shareholders						
Mr. Ko (Note 1)	NA	NA	54,651,000	7.48%	58,551,000	7.88%
Mr. Ho (Note 1)	NA	NA	250,000	0.03%	2,200,000	0.30%
Other public Shareholders	<u>276,097,204</u>	<u>83.35%</u>	<u>276,097,204</u>	<u>37.76%</u>	<u>278,737,204</u>	<u>37.50%</u>
<i>Sub-total</i>	<u>276,097,204</u>	<u>83.35%</u>	<u>330,998,204</u>	<u>45.27%</u>	<u>339,488,204</u>	<u>45.68%</u>
Total	<u>331,245,204</u>	<u>100.00%</u>	<u>731,245,204</u>	<u>100.00%</u>	<u>743,275,204</u>	<u>100.00%</u>

Notes:

1. *Immediately before Completion, Mr. Ko and Mr. Ho were executive Directors. With effect from 28 April 2016 upon Completion, they resigned as executive Directors and their holdings in the Shares are considered as held in public hands. As at the date of this announcement, Mr. Ko held these Shares through Rockstead and Omnicorp, both of them are wholly-owned by Mr. Ko.*
2. *The Subscriber had nominated its wholly-owned subsidiary, BOE (HK), to subscribe for the Subscription Shares. As at the date of this announcement, the Subscriber owned the Subscription Shares through BOE (HK).*
3. *Ms. Ko Wing Yan, Samantha is an executive Director, and Dr. Lo Wing Yan, William J.P., Mr. Chau Shing Yim, David and Mr. Hou Ziqiang are independent non-executive Directors.*

SPECIAL DIVIDEND

The Special Dividend has been approved by the Shareholders at the SGM and Completion took place on 28 April 2016. The Board is pleased to announce that the Special Dividend of HK\$1.35 per Share will be paid to the Shareholders whose names appear on the Company's register of members on Friday, 17 June 2016. The Special Dividend is expected to be paid to the Shareholders in Hong Kong dollars on 8 July 2016. No Special Dividend will be paid to the Subscriber as it has agreed to waive its entitlement.

To determine entitlement to the Special Dividend, the register of members of the Company will be closed from Tuesday, 14 June 2016 to Friday, 17 June 2016 (both days inclusive), during which period no transfer of Shares will be registered.

To qualify for the Special Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share register and transfer office, Computershare Hong Kong Investor Services Limited of Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 13 June 2016.

CHANGE OF DIRECTORS

The Board announces that (i) Mr. Ko resigned as an executive Director and the chairman of the Board; and (ii) Mr. Ho resigned as an executive Director, both with effect from 28 April 2016 upon Completion pursuant to the Subscription Agreement.

Each of Mr. Ko and Mr. Ho has confirmed that he has no disagreement with the Board and that he is not aware of any matter in relation to his resignation that needs to be brought to the attention of the Shareholders.

The Board wishes to take this opportunity to express its gratitude to Mr. Ko and Mr. Ho for their contribution to the Board.

The Board is pleased to announce, all with effect from 28 April 2016 upon Completion, the following appointments by the Board: (i) Mr. Yao Xiangjun ("Mr. Yao") as an executive Director and the chairman of the Board; (ii) Mr. Su Ning ("Mr. Su") as an executive Director and a co-chief executive officer of the Company; and (iii) Ms. Yang Xiaoping ("Ms. Yang"), Mr. Dong Xue ("Mr. Dong") and Mr. Yuan Feng ("Mr. Yuan") as non-executive Directors (collectively, the "Incoming Directors").

The biographical details of the Incoming Directors are set out below.

Mr. Yao Xiangjun

Mr. Yao, aged 39, graduated from Beijing Technology and Business University with a master degree in management. He is a China Certified Public Accountant. Since 2001, Mr. Yao has worked as the head of the finance department, a finance director and the head of corporate planning center, the chief strategy officer and an associate chief executive officer of the smart system business group of the Subscriber, a deputy finance director of Beijing BOE Optoelectronics Technology Co., Ltd. (a subsidiary of the Subscriber) and a finance director of Hefei BOE Optoelectronics Technology Co., Ltd. (a subsidiary of the Subscriber). He is currently the chief executive officer of the smart system business group of the Subscriber. As at the date of this announcement, Mr. Yao is interested in 100,000 issued A shares of the Subscriber.

Mr. Yao will enter into a service contract with the Company for a term of three years and will be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He will be entitled to an annual salary of HK\$2,400,000 for serving as the chairman of the Board (which is determined with reference to his experience, duties and responsibilities) with a discretionary bonus which will be determined by the Board based on the Company's performance. Mr. Yao is not entitled to any director's fee or remuneration for his appointment as an executive Director.

Mr. Su Ning

Mr. Su, aged 36, graduated from the Graduate School of Chinese Academy of Sciences with a master degree in engineering. Since 2005, Mr. Su has served as a deputy division chief in the module technical department, a deputy department head in the new application business department, the division chief, a deputy general manager in the application business department of Beijing BOE Optoelectronics Technology Co., Ltd. (a subsidiary of the Subscriber). Mr. Su is currently the general manager of the application business department of Beijing BOE Display Technology Co., Ltd. (a subsidiary of the Subscriber).

Mr. Su will enter into a service contract with the Company for a term of three years and will be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He will be entitled to an annual salary of HK\$1,200,000 for serving as a co-chief executive officer (which is determined with reference to his experience, duties and responsibilities) with a discretionary bonus which will be determined by the Board based on the Company's performance. Mr. Su is not entitled to any director's fee or remuneration for his appointment as an executive Director.

Ms. Yang Xiaoping

Ms. Yang, aged 37, graduated from The University of International Business and Economics with a master degree in business administration. She has 14 years of experience in financial management. Since joining the Subscriber Group in 2002, Ms. Yang has acted as the head of financial planning department, the head of accounting and taxation centre and the head of budgeting centre of the Subscriber. She currently acts as a vice president and a deputy financial controller of the Subscriber. Ms. Yang is also acting as directors or supervisors of a number of subsidiaries of the Subscriber.

Ms. Yang has not entered into any service contract with the Company. She has been appointed as a non-executive Director. Her appointment will be for a term of three years and will be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. She will be entitled to an annual director's fee of HK\$200,000 which is determined with reference to her experience and the prevailing market director's fees for non-executive Directors.

Mr. Dong Xue

Mr. Dong, aged 37, studied Chemical Engineering (Materials) in Tsinghua University and obtained a master degree in Engineering. Since joining the Subscriber Group in 2003, Mr. Dong had acted as an assistant of department head, the department head of application development department, a deputy director of optoelectronics technology development centre department, the head of the research and development centre for mobile products of Beijing BOE Optoelectronics Technology Co., Ltd. (a subsidiary of the Subscriber). He is currently serving as a vice president and the chief technical officer for display panel business of the Subscriber. As at the date of this announcement, Mr. Dong is interested in 100,000 issued A shares of the Subscriber.

Mr. Dong has not entered into any service contract with the Company. He has been appointed as a non-executive Director. His appointment will be for a term of three years and will be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He will be entitled to an annual director's fee of HK\$200,000 which is determined with reference to his experience and the prevailing market director's fees for non-executive Directors.

Mr. Yuan Feng

Mr. Yuan, aged 38, graduated from Tsinghua University with a master degree in business administration. Since joining the Subscriber Group in 2003, Mr. Yuan had acted as a deputy head of strategic planning department and the secretary office manager of the Subscriber and the general manager of Beijing BOE Sales Co., Ltd. (a subsidiary of the Subscriber). He is currently serving as a vice president and the chief strategic marketing officer of the Subscriber. Mr. Yuan is also acting as the chairman of the board of directors of Beijing BOE Sales Co., Ltd. (a subsidiary of the Subscriber) and directors of a number of subsidiaries of the Subscriber.

Mr. Yuan has not entered into any service contract with the Company. He has been appointed as a non-executive Director. His appointment will be for a term of three years and will be subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. He will be entitled to an annual director's fee of HK\$200,000 which is determined with reference to his experience and the prevailing market director's fees for non-executive Directors.

As at the date of this announcement, save as disclosed in their biographies above, the Incoming Directors have no interest in the Shares within the meaning of Part XV of the SFO, have not held any other directorships in any public listed companies in the past three years, are not connected with any Directors, senior management or substantial shareholders of the Company (as defined in the Listing Rules) and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome the Incoming Directors for joining the Board.

REDESIGNATION OF CO-CHIEF EXECUTIVE OFFICER

Ms. Ko Wing Yan, Samantha, an executive Director, has been redesignated from the chief executive officer to a co-chief executive officer of the Company with effect from 28 April 2016 upon Completion.

CHANGE OF BOARD COMMITTEES MEMBERS

The Board announces that (i) Mr. Ko ceased to be a member of the remuneration committee (“Remuneration Committee”) and nomination committee (“Nomination Committee”) of the Company, and (ii) Dr. Lo Wing Yan, William J.P. ceased to be the chairman of the Nomination Committee (but shall remain as a member thereof), all with effect from 28 April 2016 upon Completion.

Mr. Yao, Ms. Ko Wing Yan, Samantha and Mr. Chau Shing Yim, David have been appointed as members of the Remuneration Committee, Mr. Yao has been appointed as the chairman of the Nomination Committee, and Mr. Su and Mr. Chau Shing Yim, David have been appointed as members of the Nomination Committee by the Board on 28 April 2016 with effect from 28 April 2016 upon Completion.

CHANGE OF COMPANY SECRETARY

Mr. Ho has tendered his resignation as the company secretary of the Company (the “Company Secretary”) with effect from 28 April 2016 upon Completion. Mr. Ho and the Board confirm that they do not have any disagreement with each other and there are no circumstances connected with Mr. Ho’s resignation which should be brought to the attention of the Stock Exchange and the Shareholders.

The Board is pleased to announce that Mr. Pang Tien Kin has been appointed as the Company Secretary with effect from 28 April 2016 upon Completion.

Mr. Pang Tien Kin is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants and he holds a BBA degree in Accountancy from City University of Hong Kong.

The Board would like to express its gratitude to Mr. Ho for his contribution to the Company during his tenure of office as the Company Secretary.

CHANGE OF AUTHORISED REPRESENTATIVE

Mr. Ho ceased to be an authorised representative of the Company under Rule 3.05 of the Listing Rules (“Authorised Representative”) and Mr. Pang Tien Kin, the Company Secretary, has been appointed as an Authorised Representative, both with effect from 28 April 2016 upon Completion.

By Order of the Board
Varitronix International Limited
Yao Xiangjun
Chairman

Hong Kong, 28 April 2016

As at the date of this announcement, the Board comprises nine Directors, of whom Mr. Yao Xiangjun, Ms. Ko Wing Yan, Samantha and Mr. Su Ning are executive Directors, Ms. Yang Xiaoping, Mr. Dong Xue and Mr. Yuan Feng are non-executive Directors, and Dr. Lo Wing Yan, William J.P., Mr. Chau Shing Yim, David and Mr. Hou Ziqiang are independent non-executive Directors.

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