

Truly earmarks \$1.2b for production line for h

DISPLAYS Frederick Yeung

Liquid crystal display manufacturer Truly International Holdings has confirmed it will invest \$1.2 billion in a production line in China for high-resolution LCD panels for mobile telephones as it seeks to expand into high-end products.

The company generated more than 65 per cent of its \$3.14 billion revenue last year from mature but low-margin products such as colour STN LCD (super-twist nematic liquid crystal display) and mono colour LCD panels but now wants to expand its product portfolio to maintain its margins.

Truly wants to produce its own

TFT-LCD (thin-film transistor liquid crystal display) panels – a more advanced and higher-resolution LCD product when compared with colour STN LCD – rather than sourcing them from Korean manufacturers such as Samsung.

"We will seek approval from our shareholders in April next year and the new plant should begin production in two years," executive director James Wong Pong-chua said.

He said the new plant would only produce small-sized LCD panels for use in its own business.

"By producing our own panels, our costs will be just US\$2 per unit rather than the US\$5 to US\$7 it costs us to source panels from Korea and Japan. We will be saving as much as 70 per cent on material costs," said Mr Wong.

Truly supplies colour and mono colour LCD units to almost all Chinese handset makers and has a market share of between 10 and 20

per cent. The company also hopes to secure new orders from international vendors when its production line comes on stream.

The next wave of growth in the LCD industry will be driven by TFT LCD panels and is expected to take

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