

**Unaudited Third Quarter Financial Statements And Dividend Announcement for the Nine Months / Third Quarter Ended 30 September 2017**
**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

- 1(a) **An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
For the periods ended 30 September 2017**

	Note	Three months / third quarter ended 30 September			Nine months ended 30 September		
		2017 US\$'000	2016 US\$'000	% Increase/ (Decrease)	2017 US\$'000	2016 US\$'000	% Increase/ (Decrease)
Revenue		29,917	29,016	3.1%	78,592	78,050	0.7%
Cost of sales		(21,785)	(22,420)	(2.8%)	(58,272)	(60,115)	(3.1%)
Gross profit		8,132	6,596	23.3%	20,320	17,935	13.3%
Other operating income		181	231	(21.6%)	735	697	5.5%
Distribution expenses		(690)	(406)	70.0%	(1,619)	(1,126)	43.8%
Administrative expenses		(5,333)	(5,146)	3.6%	(15,159)	(15,370)	(1.4%)
Finance costs		(44)	(23)	91.3%	(87)	(65)	33.8%
Share of loss of an associate		(19)	(54)	(64.8%)	(34)	(153)	(77.8%)
Profit before income tax	(1)	2,227	1,198	85.9%	4,156	1,918	116.7%
Income tax expense		(922)	(877)	5.1%	(2,272)	(1,522)	49.3%
Profit after income tax		1,305	321	306.5%	1,884	396	375.8%
Profit attributable to:							
Owners of the Company		1,305	321	306.5%	1,884	396	375.8%
Non-Controlling interests		-	-	-	-	-	-
		1,305	321	306.5%	1,884	396	375.8%

**Note (1)**

Profit before income tax has been arrived at after charging/(crediting):

	Three months / third quarter ended 30 September		Nine months ended 30 September	
	2017 US\$'000	2016 US\$'000	2017 US\$'000	2016 US\$'000
Depreciation of property, plant and equipment	312	440	1,021	1,364
Interest income	(116)	(153)	(546)	(548)
Net foreign exchange loss (Note a)	243	17	310	337
Increase/(Decrease) in allowance for inventories	38	59	188	(252)
Change in fair value of derivative financial instruments	-	(10)	39	22
Net loss on disposal of property, plant and equipment	270	1	277	15
Interest on borrowings	44	23	87	65
Change in fair value of held for trading investments	1	(4)	1	79

Note a: The foreign currency exchange loss for the nine months ended 30 September 2017 comprised mainly unrealised loss net of unrealised gain on translating monetary assets less monetary liabilities in foreign currencies, mainly United States dollars, Renminbi and Japanese yen, to functional currency at each Group entity, and realised loss net of realised gain on payments denominated in foreign currencies other than the functional currency in each Group entity.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the periods ended 30 September 2017**

	Three months / third quarter ended 30 September			Nine months ended 30 September		
	2017 US\$'000	2016 US\$'000	% Increase/ (Decrease)	2017 US\$'000	2016 US\$'000	% Increase/ (Decrease)
Profit after income tax	1,305	321	306.5%	1,884	396	375.8%
Other comprehensive income:						
Available-for-sale investments:						
- Fair value (loss)/gain arising during the periods	(34)	10	(440.0%)	28	4	600.0%
- Reversal of deferred tax liabilities/(deferred tax liabilities arising) on revaluation of available-for-sale investment	12	(3)	(500.0%)	(10)	(1)	900.0%
Exchange difference on translation of foreign operations	498	27	1,744.4%	1,307	785	66.5%
Other comprehensive income for the periods, net of tax	476	34	1,300.0%	1,325	788	68.1%
Total comprehensive income for the periods, net of tax	1,781	355	401.7%	3,209	1,184	171.0%
Total comprehensive income attributable to:						
Owners of the Company	1,781	355	401.7%	3,209	1,184	171.0%
Non-Controlling interests	-	-	-	-	-	-
	1,781	355	401.7%	3,209	1,184	171.0%

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**STATEMENTS OF FINANCIAL POSITION**  
As at 30 September 2017

	The Group		The Company	
	As at 30 September 2017 US\$'000	As at 31 December 2016 US\$'000	As at 30 September 2017 US\$'000	As at 31 December 2016 US\$'000
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Cash and bank balances	43,844	45,026	167	272
Trade receivables	26,520	17,400	-	-
Other receivables and prepayments	2,971	2,333	102	97
Inventories	8,355	6,231	-	-
Loans and receivables	1,005	1,216	-	-
Held for trading investments	214	216	-	-
Pledged bank deposit (Note b)	147	146	-	-
Derivative financial instruments	-	38	-	-
<b>Total current assets</b>	<b>83,056</b>	<b>72,606</b>	<b>269</b>	<b>369</b>
<b>Non-current assets</b>				
Available-for-sale investments	962	926	-	-
Other assets	388	523	-	-
Prepayment for the acquisition of intangible asset	963	970	-	-
Amount due from a subsidiary	-	-	16,654	16,653
Property, plant and equipment	6,351	7,088	-	-
Investment in subsidiaries	-	-	11,334	11,334
Investment in an associate	1,442	1,413	-	-
<b>Total non-current assets</b>	<b>10,106</b>	<b>10,920</b>	<b>27,988</b>	<b>27,987</b>
<b>Total assets</b>	<b>93,162</b>	<b>83,526</b>	<b>28,257</b>	<b>28,356</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Bank borrowings	8,733	5,298	-	-
Trade payables	15,442	11,494	-	-
Other payables and accruals	4,639	4,054	124	282
Current portion of obligation under finance leases	48	65	-	-
Income tax payable	747	1,047	-	-
<b>Total current liabilities</b>	<b>29,609</b>	<b>21,958</b>	<b>124</b>	<b>282</b>
<b>Non-current liabilities</b>				
Bank borrowings	2,047	716	-	-
Obligation under finance leases	63	16	-	-
Retirement benefit obligations	232	347	-	-
Deferred tax liabilities	412	177	-	-
<b>Total non-current liabilities</b>	<b>2,754</b>	<b>1,256</b>	<b>-</b>	<b>-</b>
<b>Capital, reserves and non-controlling interests</b>				
Issued capital	10,087	10,087	10,087	10,087
Reserves	50,703	50,216	18,046	17,987
Equity attributable to owners of the Company	60,790	60,303	28,133	28,074
Non-controlling interests	9	9	-	-
<b>Total equity</b>	<b>60,799</b>	<b>60,312</b>	<b>28,133</b>	<b>28,074</b>
<b>Total liabilities and equity</b>	<b>93,162</b>	<b>83,526</b>	<b>28,257</b>	<b>28,356</b>

Note b: As at 30 September 2017, the Group's bank deposit of approximately US\$147,000 (31 December 2016: US\$146,000) was pledged to financial institutions to secure banking facilities granted to the Group.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

	As at 30 September 2017		As at 31 December 2016	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
<b>Bank and other borrowings</b>	-	8,733	-	5,298
<b>Obligation under finance leases</b>	48	-	65	-
<b>Total</b>	48	8,733	65	5,298

**Amount repayable after one year**

	As at 30 September 2017		As at 31 December 2016	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
<b>Bank and other borrowings</b>	-	2,047	-	716
<b>Obligation under finance leases</b>	63	-	16	-
<b>Total</b>	63	2,047	16	716

**Details of collateral**

As at 30 September 2017, the Group's bank deposit of approximately US\$147,000 (31 December 2016: US\$146,000) was pledged to financial institutions to secure banking facilities granted to the Group. The carrying amount of the Group's property, plant and equipment includes an amount of US\$107,000 (31 December 2016: US\$56,000) in respect of assets held under finance leases which are secured by the lessor's title to the leased assets.

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>				
<b>For the periods ended 30 September 2017</b>				
	<b>The Group</b>			
	<b>Three months / third quarter ended 30 September</b>		<b>Nine months ended 30 September</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>OPERATING ACTIVITIES</b>				
<b>Profit before income tax</b>	2,227	1,198	4,156	1,918
Adjustments for				
Increase/(Decrease) in allowance for inventories	38	59	188	(252)
Depreciation of property, plant and equipment	312	440	1,021	1,364
Interest income	(116)	(153)	(546)	(548)
Finance costs	44	23	87	65
Net loss on disposal of property, plant and equipment	270	1	277	15
Retirement benefit obligations	14	15	69	42
Change in fair value of derivative financial instruments	-	(10)	39	22
Share-based payment expense	-	-	-	101
Change in fair value of held for trading investments	1	(4)	1	79
Loss on redemption of held-to-maturity investment	-	(8)	-	206
Share of loss of an associate	19	54	34	153
<b>Operating cash flows before movements in working capital</b>	<b>2,809</b>	<b>1,615</b>	<b>5,326</b>	<b>3,165</b>
<b>Change in working capital:</b>				
Trade receivables, other receivables and prepayments	454	(4,014)	(9,750)	(1,468)
Inventories	(1,394)	346	(2,312)	559
Trade payables, other payables and accruals	1,577	3,615	4,525	1,298
<b>Cash generated from/(used in) operations</b>	<b>3,446</b>	<b>1,562</b>	<b>(2,211)</b>	<b>3,554</b>
<b>Net income tax paid</b>	<b>(802)</b>	<b>(1,001)</b>	<b>(2,386)</b>	<b>(1,786)</b>
<b>Interest paid</b>	<b>(44)</b>	<b>(23)</b>	<b>(87)</b>	<b>(65)</b>
<b>Retirement benefit obligations paid</b>	<b>-</b>	<b>-</b>	<b>(194)</b>	<b>(137)</b>
<b>Net cash from/(used in) operating activities</b>	<b>2,600</b>	<b>538</b>	<b>(4,878)</b>	<b>1,566</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds from disposal of property, plant and equipment	-	-	197	13
Decrease in other assets	4	105	151	74
Prepayment for the acquisition of intangible asset	-	(969)	-	(969)
Additional investment in available-for-sale investments	(3)	(900)	(8)	(905)
Purchase of property, plant and equipment (Note c)	(187)	(85)	(396)	(319)
Decrease in loans and receivables	-	-	211	-
Interest income received	116	153	546	548
Proceeds from redemption of held-to-maturity investment	-	10	-	776
Purchase of held for trading investments	-	-	-	(36)
<b>Net cash (used in)/from investing activities</b>	<b>(70)</b>	<b>(1,686)</b>	<b>701</b>	<b>(818)</b>
<b>FINANCING ACTIVITIES</b>				
Payment for the share buyback	-	-	(424)	-
Proceeds from bank borrowings	34,166	12,083	70,683	16,477
Repayment of obligation under finance leases	(17)	(29)	(83)	(87)
Repayment of bank borrowings	(32,763)	(9,524)	(65,973)	(12,970)
Dividend paid	(1,149)	(475)	(2,298)	(3,799)
<b>Net cash from/(used in) financing activities</b>	<b>237</b>	<b>2,055</b>	<b>1,905</b>	<b>(379)</b>
<b>NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,767</b>	<b>907</b>	<b>(2,272)</b>	<b>369</b>
<b>NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES</b>	<b>406</b>	<b>(79)</b>	<b>1,090</b>	<b>770</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>40,671</b>	<b>50,694</b>	<b>45,026</b>	<b>50,383</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>43,844</b>	<b>51,522</b>	<b>43,844</b>	<b>51,522</b>

Note c: During the nine months ended 30 September 2017, the Group acquired property, plant and equipment with aggregate cost of US\$503,000 of which US\$107,000 was acquired by means of finance lease (Nine months ended 30 September 2016: the Group acquired property, plant and equipment with aggregate cost of US\$319,000 in cash and did not acquire any property, plant and equipment by means of finance lease.) Cash payment of US\$396,000 (Nine months ended 30 September 2016: US\$319,000) was made to purchase property, plant and equipment.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group's statement of changes in equity with a comparative statement for the corresponding period of immediately preceding financial year is as follows:

	Share capital US\$'000	Share premium of the Company US\$'000	Share capital reserve US\$'000	Treasury shares US\$'000	Employee share option reserve US\$'000	Merger reserve US\$'000	Statutory Reserve Fund US\$'000	Enterprise Expansion Fund US\$'000	Other Reserves US\$'000	Fair value adjustment reserve US\$'000	Foreign currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance as at 1 January 2017	10,087	18,994	(193)	(2,980)	608	(7,020)	6,015	330	1,196	37	3,083	30,146	60,303	9	60,312
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	55	452	(192)	315	-	315
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(311)	-	-	-	-	-	-	-	-	(311)	-	(311)
Balance as at 31 March 2017	10,087	18,994	(193)	(3,291)	608	(7,020)	6,015	330	1,196	92	3,535	29,954	60,307	9	60,316
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(15)	357	771	1,113	-	1,113
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(113)	-	-	-	-	-	-	-	-	(113)	-	(113)
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(1,149)	(1,149)	-	(1,149)
Balance as at 30 June 2017	10,087	18,994	(193)	(3,404)	608	(7,020)	6,015	330	1,196	77	3,892	29,576	60,158	9	60,167
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(22)	498	1,305	1,781	-	1,781
Transfer on share options lapsed	-	-	-	-	(76)	-	-	-	-	-	-	76	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(1,149)	(1,149)	-	(1,149)
Balance as at 30 September 2017	10,087	18,994	(193)	(3,404)	532	(7,020)	6,015	330	1,196	55	4,390	29,808	60,790	9	60,799

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial (continued).**

	Share capital US\$'000	Share premium of the Company US\$'000	Share capital reserve US\$'000	Treasury shares US\$'000	Employee share option reserve US\$'000	Merger reserve US\$'000	Statutory Reserve Fund US\$'000	Enterprise Expansion Fund US\$'000	Other Reserves US\$'000	Fair value adjustment reserve US\$'000	Foreign currency translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance as at 1 January 2016	10,087	18,994	(202)	(2,061)	541	(7,020)	6,001	329	1,193	(4)	4,470	33,526	65,854	9	65,863
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	1	769	40	810	-	810
Share options expense for the period	-	-	-	-	80	-	-	-	-	-	-	-	80	-	80
Balance as at 31 March 2016	10,087	18,994	(202)	(2,061)	621	(7,020)	6,001	329	1,193	(3)	5,239	33,566	66,744	9	66,753
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(5)	(11)	35	19	-	19
Transfer	-	-	-	-	-	-	12	-	-	-	-	(12)	-	-	-
Share options expense for the period	-	-	-	-	21	-	-	-	-	-	-	-	21	-	21
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(3,324)	(3,324)	-	(3,324)
Balance as at 30 June 2016	10,087	18,994	(202)	(2,061)	642	(7,020)	6,013	329	1,193	(8)	5,228	30,265	63,460	9	63,469
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	7	27	321	355	-	355
Transfer	-	-	-	-	-	-	1	1	3	-	-	(5)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(475)	(475)	-	(475)
Balance as at 30 September 2016	10,087	18,994	(202)	(2,061)	642	(7,020)	6,014	330	1,196	(1)	5,255	30,106	63,340	9	63,349

**The issuer's statement of changes in equity with a comparative statement for the corresponding period of immediately preceding financial year is as follows:**

	Share Capital	Share premium of the Company	Share capital reserve	Treasury shares	Employee share option reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2017	10,087	18,994	(193)	(2,980)	608	1,558	28,074
Total comprehensive expense for the period	-	-	-	-	-	(111)	(111)
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(311)	-	-	(311)
Balance as at 31 March 2017	10,087	18,994	(193)	(3,291)	608	1,447	27,652
Total comprehensive income for the period	-	-	-	-	-	1,407	1,407
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(113)	-	-	(113)
Dividend paid	-	-	-	-	-	(1,149)	(1,149)
Balance as at 30 June 2017	10,087	18,994	(193)	(3,404)	608	1,705	27,797
Total comprehensive income for the period	-	-	-	-	-	1,485	1,485
Transfer on share options lapsed	-	-	-	-	(76)	76	-
Dividend paid	-	-	-	-	-	(1,149)	(1,149)
Balance as at 30 September 2017	10,087	18,994	(193)	(3,404)	532	2,117	28,133

	Share Capital	Share premium of the Company	Share capital reserve	Treasury shares	Employee share option reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2016	10,087	18,994	(202)	(2,061)	541	919	28,278
Total comprehensive expense for the period	-	-	-	-	-	(91)	(91)
Share options expense for the period	-	-	-	-	80	-	80
Balance as at 31 March 2016	10,087	18,994	(202)	(2,061)	621	828	28,267
Total comprehensive income for the period	-	-	-	-	-	3,876	3,876
Share options expense for the period	-	-	-	-	21	-	21
Dividend paid	-	-	-	-	-	(3,324)	(3,324)
Balance as at 30 June 2016	10,087	18,994	(202)	(2,061)	642	1,380	28,840
Total comprehensive income for the period	-	-	-	-	-	714	714
Dividend paid	-	-	-	-	-	(475)	(475)
Balance as at 30 September 2016	10,087	18,994	(202)	(2,061)	642	1,619	29,079



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

### Share Capital

As at 31 December 2016, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 232,230,008 ordinary shares (excluding treasury shares), and 19,947,102 ordinary shares held as treasury shares.

During the first quarter ended 31 March 2017, the Company purchased 1,800,000 ordinary shares under the Share Purchase Mandate and held them as treasury shares. As at 31 March 2017, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 230,430,008 ordinary shares (excluding treasury shares), and 21,747,102 treasury shares.

During the second quarter ended 30 June 2017, the Company purchased 638,000 ordinary shares under the Share Purchase Mandate and held them as treasury shares. As at 30 June 2017, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 229,792,008 ordinary shares (excluding treasury shares), and 22,385,102 treasury shares.

During the third quarter ended 30 September 2017, the Company did not purchase any ordinary share under the Share Purchase Mandate and held them as treasury shares. As at 30 September 2017, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 229,792,008 ordinary shares (excluding treasury shares) and 22,385,102 treasury shares.

### Treasury shares

	The Company			
	2017 Number of shares	US\$'000	2016 Number of shares	US\$'000
Balance as at 1 January	19,947,102	2,980	29,440,000	2,061
Ordinary share purchased during the first quarter (note d)	1,800,000	311	-	-
Ordinary share purchased during the second quarter	638,000	113	-	-
Consolidation of ordinary shares held as treasury shares during the third quarter (note e)	-	-	(14,719,998)	-
Balance as at 30 September	<u>22,385,102</u>	<u>3,404</u>	<u>14,720,002</u>	<u>2,061</u>

Note d: Number of ordinary shares purchased during the first quarter of FY2017 should be 1,800,000 shares instead of 2,438,000 shares, which included 638,000 ordinary shares purchased in April 2017, as reported in the results announcement for the first quarter of FY2017.

Note e: On 26 August 2016, the Company consolidated every two (2) existing ordinary shares of par value of US\$0.02 each in the authorised and issued capital of the Company into one (1) ordinary share of par value of US\$0.04 in the authorised and issued capital of the Company.

### Share Options

On 30 May 2014, the Chief Executive Officer of the Company proposed to grant options to eight directors and twelve senior executives (the "Participants") to subscribe for a total of 19,000,000 ordinary shares of US\$0.02 each in the capital of the Company, pursuant to CDW Employees Share Option Scheme 2013. This proposal was adopted and administrated by the Remuneration Committee. The options granted were accepted by the Participants in June 2014. The option was exercisable at S\$0.108 per share with an exercise period commencing from 30 May 2016 to 29 May 2019 (both days inclusive).

On 26 August 2016, the Company consolidated every two (2) existing ordinary shares of par value of US\$0.02 each in the authorised and issued capital of the Company into one (1) ordinary share of par value of US\$0.04 each in the authorised and issued capital of the Company.

During the nine months ended 30 September 2017, a total of 1,000,000 unexercised share options lapsed on the ground that the employees left the Group. The number of outstanding share options as at 30 September 2017 was 7,500,000 (31 December 2016: 8,500,000) with exercise price at S\$0.216.

### Subsidiary Holdings

The Group did not have any subsidiary holdings for the current financial period reported on and its corresponding period of the immediately preceding financial year.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	The Company	
	As at 30 September 2017	As at 31 December 2016
Issued shares	252,177,110	252,177,110
Less: Treasury shares	(22,385,102)	(19,947,102)
	<hr/>	<hr/>
Total number of issued shares excluding treasury shares	229,792,008	232,230,008
	<hr/> <hr/>	<hr/> <hr/>

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the first quarter ended 31 March 2017, the second quarter ended 30 June 2017 and the third quarter ended 30 September 2017, there were no sales, transfers, disposal, and/or use of treasury share except for the purchase of 2,438,000 ordinary shares under the Share Purchase Mandate and held as treasury shares. As at 30 September 2017, there were 22,385,102 ordinary shares held as treasury shares.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

The Group did not have any subsidiary holdings for the current financial period reported on.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard or practice.**

The figures have not been audited or reviewed by any independent auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the most recently audited annual financial statements for the year ended 31 December 2016 except for the adoption of the revised International Financial Reporting Standards which came into effect this financial year from 1 January 2017. The adoption of these revised accounting policies did not give rise to any significant change to the financial statements.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Profit per ordinary share for the periods  
based on profit attributable to owners  
of the Company on 1(a) above

	Three months / third quarter ended 30 September		Nine months ended 30 September	
	2017	2016	2017	2016
Based on weighted average number of ordinary shares in issue (US cents)				
- Basic	0.57	0.14	0.82	0.17
- Fully diluted (Note f)	0.57	0.13	0.81	0.17
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note g)	229,918,623	237,457,108	230,185,202	237,457,108
Effect of dilutive share options	864,538	1,754,379	1,042,967	2,264,385
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	<u>230,783,161</u>	<u>239,211,487</u>	<u>231,228,169</u>	<u>239,721,493</u>

Note f: Diluted effect on earnings per share referred to share options granted to the participants under the Company's Employee Share Option Scheme remained outstanding as at 30 September 2017.

Note g: The weighted average number of ordinary shares was computed after adjusting for the effect of treasury shares held by the Company.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	30 September 2017	31 December 2016
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	26.46	25.97
- The Company	12.24	12.09

The calculation of the net asset value per ordinary share was based on total number of 229,792,008 (31 December 2016: 232,230,008) ordinary shares (excluding treasury shares).

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors, and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**STATEMENT OF PROFIT AND LOSS**

During the first nine months of current year under review ("9M17"), the Group recorded a slight increase of US\$0.5 million in revenue to US\$78.6 million as compared to the revenue of US\$78.1 million in the corresponding period in the previous year ("9M16"). The Group's gross profit for 9M17 increased by US\$2.4 million or 13.4% to US\$20.3 million from US\$17.9 million for 9M16. The gross profit margin also rose to 25.9% in 9M17 as compared to 23.0% in 9M16. The reasons for the increase in revenue and the gross profit margin are stated below.

Other operating income comprised mainly the interest income. It registered an amount of US\$0.7 million in 9M17 and 9M16. Distribution expenses for 9M17 increased by US\$0.5 million to US\$1.6 million (9M16: US\$1.1 million). Administrative expenses remained stable at US\$15.2 million for 9M17 and US\$15.4 million

for 9M16 respectively. Finance costs were US\$0.1 million in 9M17 and remained at a low level as the Group adhered to a low gearing policy despite the current low interest environment.

The Group's associated company incurred an operating loss in 9M17 and, therefore, the Group shared 25% share of such loss amounted to US\$0.03 million (9M16: US\$0.2 million).

Income tax expense of 9M17 was US\$2.3 million (9M16: US\$1.5 million). The high effective tax rate was mainly due to the income tax of profit-making subsidiaries not being offset by the tax credit of loss-making subsidiaries.

In 9M17, the Group recorded an increase in both profit before income tax and the profit after income tax by US\$2.3 million and US\$1.5 million to US\$4.2 million and US\$1.9 million respectively, as compared to US\$1.9 million and US\$0.4 million in the previous corresponding period.

### **LCD Backlight Units**

During 9M17, the revenue from LCD Backlight Units segment was US\$47.9 million, with an increase of US\$2.6 million as compared to US\$45.3 million in the previous corresponding period. In the second and third quarter, the Group's key customer placed sales orders for a new model of handheld gameset device, together with a stable order demand for LCD backlight units for in-vehicle information displays. Operating profit increased from US\$3.7 million in 9M16 to US\$5.9 million in 9M17, and the operating margin increased by 4.1% from 8.3% for 9M16 to 12.4% for 9M17.

In terms of volume production, the total number of units sold for the segment amounted to 17.2 million units (9M16: 12.9 million units). Approximately 0.7 million units were sold for handsets (9M16: 2.3 million units) representing a 69.6% decrease, and 16.5 million units were sold for gamesets and in-vehicle information displays (9M16: 10.6 million units), representing a 55.7% increase.

### **Office Automation**

The revenue from Office Automation segment rose by 10.2% to US\$16.2 million in 9M17 as compared to US\$14.7 million in 9M16. The segment recorded a profit of US\$1.0 million in 9M17 (9M16: US\$0.04 million). The rise in revenue was mainly attributable to more sales orders for new models, which are normally associated with a higher margin. As such, the operating profit margin improved from 0.3% in 9M16 to 6.0% in 9M17.

### **LCD Parts and Accessories**

The sales for LCD Parts and Accessories segment dropped by US\$4.1 million from US\$17.6 million in 9M16 to US\$13.5 million in 9M17. The segment's profitability suffered from a low utilisation rate and a reduction in revenue. In addition, this segment downsized its operation which resulted in some staff compensation. It recorded a marginal operating profit of US\$0.05 million in 9M17, as compared to US\$0.5 million in 9M16. The operating margin decreased from 3.1% for 9M16 to 0.3% for 9M17. This segment also includes the mobile payment device OEM business.

## **STATEMENT OF FINANCIAL POSITION**

As at 30 September 2017, total assets and liabilities of the Group stood at US\$93.2 million and US\$32.4 million respectively, as compared to US\$83.5 million and US\$23.2 million as at 31 December 2016.

Total current assets increased by US\$10.5 million to US\$83.1 million as at 30 September 2017 as compared to US\$72.6 million as at 31 December 2016. Cash and bank balances decreased by US\$1.2 million due to the reasons explained in the next paragraph under Statement of Cash Flows. The trade receivables recorded an increase of US\$9.1 million from US\$17.4 million as at 31 December 2016 to US\$26.5 million as at 30 September 2017 due to a longer credit term from 60 days on average to 90 days on average as requested by the Group's key customer. The increase in inventories was in line with the increase in revenue and for fulfilment of sales orders for the ensuing months.

Other receivables and prepayments mainly represented utility deposits, prepaid expenses and value-added tax recoverable. Included in loan and receivables is funding to a third party under a secured trade finance arrangement at an interest rate of 1% per month to generate additional interest income. Meanwhile, the held for trading investments represented investment in shares listed in Hong Kong.

The non-current assets of the Group stood at US\$10.1 million as at 30 September 2017 (31 December 2016: US\$10.9 million). Also included in property, plant and equipment was newly purchased equipment amounting

to US\$0.5 million, which was netted off against a depreciation charge of US\$1.0 million. The available-for-sale investments included the equity investment in a Korean company, which offered the Group the manufacturing and distribution rights for its products, and listed shares in Japan. Prepayment for the acquisition of the intangible asset represented an advance payment for the application of research results related to biotech products and their related patents.

Total liabilities increased by US\$9.2 million to US\$32.4 million as of 30 September 2017 as compared to US\$23.2 million as at 31 December 2016. During 9M17, the Group drew down bank borrowings amounting to US\$70.7 million while it settled bank borrowings amounting to US\$66.0 million with a net inflow of finance amounting to US\$4.7 million. The total amount of bank borrowings increased by US\$4.8 million to US\$10.8 million.

The trade payables were increased by US\$3.9 million over 9M17 to US\$15.4 million as at 30 September 2017 (31 December 2016: US\$11.5 million). This is consistent with the recovery of sales as explained above. There was no material change in the credit terms offered by the Group's suppliers.

The income tax on profit for 9M17 was provided for and adjusted under tax rules for different jurisdiction. The income tax charge net of payment for 9M17 reduced the income tax payable by US\$0.3 million to US\$0.7 million.

Included in the non-current liabilities were retirement benefit obligations for directors in the Group's subsidiaries in Japan and deferred tax liabilities.

## STATEMENT OF CASH FLOWS

As at 30 September 2017, the Group has net cash used in operating activities amounting to US\$4.8 million for 9M17, as compared to the net cash of US\$1.6 million generated from operating activities in the corresponding period in the previous year. The increase in net cash used in operating activities was mainly due to the increase in working capital for financing a longer credit term to customers and the recovery of sales in the second and third quarters of the year under review.

For investing activities, there was a net cash inflow of US\$0.7 million over 9M17 (9M16: new cash outflow of US\$0.8 million). It was mainly attributable to the receipt of interest income, and a decrease in the loans and receivables and other assets.

For financing activities, there was a net cash inflow of US\$1.9 million over 9M17 (9M16: new cash outflow of US\$0.4 million). The financing activities mainly included the net proceeds of bank borrowings amounting to US\$4.7 million (9M16: US\$3.5 million) and the payment of dividends of US\$2.3 million, being final dividend of US\$1.1 million for FY2016 and interim dividend of US\$1.1 million for FY2017 (9M16: final dividend of US\$3.3 million for FY2015 and interim dividend of US\$0.5 million for FY2016). During 9M17, the Group repurchased its owned shares through the open market amounting to US\$0.4 million (9M16: Nil).

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

### Business Environment

The business environment that the Group operates in continues to be challenging and in response, the Group has conducted a factory consolidation to improve its production utilisation rate and converted a smaller factory to OEM production for a customer to rebalance operating costs.

The Group's key customer, a major industry player for liquid display panels for high-end smartphones, in-vehicle information displays and gameset displays, continues to face keen competition in the smartphone market. They have however, made some recovery on the back of a new gameset model being launched. As

such, the Group has received mass production orders for the new gameset display that will continue till the end of the year.

### **Business Segment Outlook**

While there is a weaker demand for LCD Backlight Units for smartphones due to the market's preference for OLED, the Group has decided to focus more on its in-vehicle information display business with its key customer as in-vehicle information displays have a longer product lifecycle with better profit margins.

On one hand, the in-vehicle information display business is showing signs of improvement. The Group is concurrently working with its key customer to develop larger display panels for bigger and higher premium vehicles. The production and sale of this larger display will help to dampen the negative effects felt by the declining orders for backlight units for smartphones. On the other hand, the quantity of mass production orders for the new gameset model will decrease drastically in the following months due to inventory adjustment made by the key customer.

At the same time, the Group is still working on marketing its new generation light guide film product to other potential customers. The Group is converting this new generation light guide film for high-end models of medium size notebook computers, and aims to receive mass production orders by middle of the next financial year.

The Group will continue to expand its product offering for Office Automation segment which is showing small signs of improvement. As LCD Parts and Accessories segment is relatively small and without steady orders, the Group is considering scaling down the business to focus on and to grow the other segments, which have better potential.

Lastly, the Group's re-purposed Dongguan factory, which is now used to process orders for its new OEM business, is slowly contributing profitability towards the Group.

The Group's Life Sciences business has obtained one patent approval out of four applications and the Group's potential customers are currently conducting tests on this compound for cosmetic product applications. Once successful, the Group intends to market and sell the compound commercially.

The Group is considering an acquisition of a company that owns a patent to a synthetic antibody library and is conducting research on the applications for an enlarged synthetic antibody library. The Group also intends to market this antibody library to relevant biotech or pharmaceutical companies for research and development purposes with the aim of creating alternative treatments for diseases in future. The Group will make an appropriate announcement once details of the aforesaid transaction is finalised.

### **Managing Risks**

To ease rising operating costs and improve efficiency as well as cost competitiveness, the Group has consolidated its manufacturing processes to its Shanghai plant and converted its Dongguan factory to be used for its OEM business only. It currently also maintains a single work shift in its factories. At the same time the Group has systematically reduced its administrative costs to improve its bottom line.

### **Moving Forward**

The Group entered into the Life Sciences business a year ago as its core business continues to operate in a highly competitive environment that is subject to fast technological changes and a rather short product lifecycle.

Since the Group obtained one patent approval out of four applications, tests on this patented compound has started with potential customers for various cosmetic product applications. The Group's plans for its Life Sciences business include distribution of existing biotech products, working with selected nutraceutical, cosmetic and food manufacturers on improving their products, and progressively ramping up its research capability so as to develop new preventative healthcare products.

The Group's investment in the Life Sciences business is unlikely to have significant returns in the short term. However, the Group believes that its Life Sciences investment has long term potential to generate profitable returns for the Group. Moving forward, the Group continues to be on the lookout for other investment opportunities.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared for the current financial period.

**13. Confirmation by the issuer in compliance with Rule 720(1)**

The Company has procured the undertakings in the format set out in Appendix 7.7 from all the Directors and Executive Officers.

**14. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for IPTs. The IPTs for the period are as follows:

	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
<b>Name of interested person</b>	<b>US\$'000</b>	<b>US\$'000</b>
Mr YOSHIMI Kunikazu - Advisory fee	196	-
<b>Total</b>	196	-

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3, Q4 or Half Year Results)**

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**CDW Holding Limited**

**Business segment for the nine months ended 30 September 2017**

The Group is organised into four reportable operating segments as follows:

- i) LCD backlight units – Manufacturing of LCD backlight units for LCD module
- ii) Office automation – Manufacturing and trading of parts and precision accessories for office equipment and electrical appliances
- iii) LCD parts and accessories – Manufacturing and trading of parts and precision accessories for LCD module and payment devices
- iv) Others – Other businesses including general trading, food and beverage and life sciences

	<b>LCD backlight units</b>	<b>Office automation</b>	<b>LCD parts and accessories</b>	<b>Others</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b><u>Revenue</u></b>						
External sales	47,870	16,164	13,512	1,046	-	78,592
Inter-segment sales	-	291	11	-	(302)	-
<b>Total revenue</b>	<b>47,870</b>	<b>16,455</b>	<b>13,523</b>	<b>1,046</b>	<b>(302)</b>	<b>78,592</b>
<b><u>Results</u></b>						
Segment result	5,953	962	47	(760)		6,202
Unallocated corporate expense						(2,471)
<b>Operating profit</b>						<b>3,731</b>
Interest income						546
Finance costs						(87)
Share of loss of an associate						(34)
<b>Profit before income tax</b>						<b>4,156</b>
Income tax expense						(2,272)
<b>Profit after income tax</b>						<b>1,884</b>
<b><u>Assets</u></b>						
Segment assets	45,740	15,797	25,288	1,418	(76)	88,167
Unallocated assets						4,995
<b>Consolidated total assets</b>						<b>93,162</b>
<b><u>Liabilities</u></b>						
Segment liabilities	11,548	3,992	4,360	267	(76)	20,091
Bank borrowings and obligation under finance leases						10,891
Unallocated liabilities						1,381
<b>Consolidated total liabilities</b>						<b>32,363</b>
<b><u>Other information</u></b>						
Capital expenditure	266	174	62	1		503
Depreciation of property, plant and equipment	430	244	337	10		1,021



**Business segment for the nine months ended 30 September 2016**

	<b>LCD backlight units</b>	<b>Office automation</b>	<b>LCD parts and accessories</b>	<b>Others</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Revenue</b>						
External sales	45,253	14,730	17,647	420	-	78,050
Inter-segment sales	-	295	62	-	(357)	-
<b>Total revenue</b>	<b>45,253</b>	<b>15,025</b>	<b>17,709</b>	<b>420</b>	<b>(357)</b>	<b>78,050</b>
<b>Results</b>						
Segment result	3,749	46	549	(8)		4,336
Unallocated corporate expense						(2,748)
Operating profit						1,588
Interest income						548
Finance costs						(65)
Share of loss of an associate						(153)
Profit before income tax						1,918
Income tax expense						(1,522)
Profit after income tax						396
<b>Assets</b>						
Segment assets	43,151	16,553	24,083	1,113	(80)	84,820
Unallocated assets						6,208
<b>Consolidated total assets</b>						<b>91,028</b>
<b>Liabilities</b>						
Segment liabilities	9,430	3,859	4,673	104	(80)	17,986
Bank borrowings and obligation under finance leases						8,764
Unallocated liabilities						929
<b>Consolidated total liabilities</b>						<b>27,679</b>
<b>Other information</b>						
Capital expenditure	95	28	196	-		319
Depreciation of property, plant and equipment	606	331	427	-		1,364

**Geographical Segment for the nine months ended 30 September 2017 and 2016**

	<b>Turnover</b>		<b>Non-Current Assets</b>		<b>Capital Expenditure</b>	
	<b>Nine months ended 30 September</b>		<b>Nine months ended 30 September</b>		<b>Nine months ended 30 September</b>	
	<b>2017 US\$'000</b>	<b>2016 US\$'000</b>	<b>2017 US\$'000</b>	<b>2016 US\$'000</b>	<b>2017 US\$'000</b>	<b>2016 US\$'000</b>
<b>Hong Kong</b>	13,056	18,946	178	269	28	13
<b>PRC</b>	58,308	50,750	4,424	5,124	475	288
<b>Japan</b>	7,109	8,254	2,127	2,529	-	18
<b>Others</b>	119	100	-	-	-	-
<b>Total</b>	<b>78,592</b>	<b>78,050</b>	<b>6,729</b>	<b>7,922</b>	<b>503</b>	<b>319</b>

Non-current assets are mainly comprised property, plant, equipment and deposits.

## Information about major customer

Revenue from one key customer which has transactions with all segments accounted for 69.6% of the total revenue for the nine months ended 30 September 2017 (Nine months ended 30 September 2016: 72.6%).

### 16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8 for the factors leading to any material changes in contribution to revenue and earnings by business segments. In terms of geographical segments, the Group was generating revenue mainly in Hong Kong, the PRC and Japan. Revenue in Hong Kong, the PRC and Japan accounted for 16.6%, 74.2% and 9.0% of the total revenue respectively. Total revenue increased by 0.7% to US\$78.6 million for the nine months ended 30 September 2017 as compared to the corresponding period in the previous year.

As at 30 September 2017, non-current assets located in Hong Kong, the PRC and Japan accounted for 2.6%, 65.8% and 31.6% of the total non-current assets of the Group respectively. During the nine months ended 30 September 2017, the Group invested a total capital expenditure of US\$0.5 million for the purchase of equipment in Hong Kong and the PRC, and it was mainly for replacement purposes.

### 17. A breakdown of sales

	Nine months ended 30 September		
	2017 US\$'000	2016 US\$'000	% Increase/ (Decrease)
Sales reported for the first quarter	20,415	25,699	(20.6%)
Sales reported for the second quarter	28,260	23,335	21.1%
Sales reported for the third quarter	29,917	29,016	3.1%
Operating (loss)/profit after income tax for the first quarter	(192)	40	(580.0%)
Operating profit after income tax for the second quarter	771	35	2,102.9%
Operating profit after income tax for the third quarter	1,305	321	306.5%

### 18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Annual Dividend (in US\$'000)	Year ended 31 December 2016	Year ended 31 December 2015
Ordinary dividend		
- Interim	475	2,375
- Final	1,149	3,324
Total	1,624	5,699

### 19. Negative confirmation by the Board pursuant to Rule 705(5)

We, Urano Koichi and Dy Mo Hua Cheung, Philip, being two directors of CDW Holding Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of the directors of the Company which may render the financial statements for the nine months / third quarter ended 30 September 2017 to be false or misleading in any material aspect.

## BY ORDER OF THE BOARD

URANO Koichi  
Executive Director  
14 November 2017

DY MO Hua Cheung, Philip  
Executive Director