Unaudited Full Year Financial Statements And Dividend Announcement for the Year / Fourth Quarter Ended 31 December 2010

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2010

		Three months / fourth quarter ended 31 December			Year ended 31 December		
	Note	2010 US$'000	2009 US$'000	% Increase/ (Decrease)	2010 US$'000	2009 US$'000	% Increase/ (Decrease)
Revenue		36,040	30,105	19.7%	121,855	107,310	13.6%
Cost of sales		(29,107)	(22,177)	31.2%	(94,226)	(81,972)	14.9%
Gross profit		6,933	7,928	(12.6%)	27,629	25,338	9.0%
Other operating income		343	261	31.4%	921	622	48.1%
Distribution expenses		(559)	(600)	(6.8%)	(2,098)	(2,075)	1.1%
Administrative expenses		(5,388)	(5,338)	0.9%	(21,575)	(22,037)	(2.1%)
Finance costs		(75)	(78)	(3.8%)	(315)	(290)	8.6%
Profit before income tax	(1)	1,254	2,173	(42.3%)	4,562	1,558	192.8%
Income tax expense		(276)	(680)	(59.4%)	(1,137)	(1,297)	(12.3%)
Profit after income tax		978	1,493	(34.5%)	3,425	261	1,212.3%
Profit attributable to:							
Owners of the Company		1,000	1,493	(33.0%)	3,447	261	1,220.7%
Non-controlling interests		(22)	-	N/A	(22)	-	N/A
		978	1,493	(34.5%)	3,425	261	1,212.3%

Note (1)

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

	Three months / fourth quarter ended 31 December		Year ended 31 December	
	2010 US$'000	2009 US$'000	2010 US$'000	2009 US$'000
Depreciation	895	878	3,376	3,750
Interest income	(53)	(102)	(164)	(222)
Net foreign exchange loss/(gain) (Note a)	49	(243)	580	(75)
Allowance for inventories	334	276	706	633
Loss/(Gain) on disposal of property, plant and equipment	50	(2)	46	167
Change in fair value of derivative financial instruments	1	148	(150)	148
Impairment loss on available-for-sale investment	153	18	153	18
Under-provision of income tax expense in respect of prior year	48	143	48	230

Note a: The foreign currency exchange loss for the year ended 31 December 2010 comprised mainly unrealized net loss on translating monetary assets less monetary liabilities in foreign currencies, mainly United States dollars and Japanese yen, to functional currency at each Group entity and realized net loss on payments denominated in foreign currencies other than the functional currency in each Group entity.

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.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 December 2010

	The Group		The Company	
	As at 31 December 2010 US$'000	As at 31 December 2009 US$'000	As at 31 December 2010 US$'000	As at 31 December 2009 US$'000
ASSETS				
Current Assets:				
Cash and bank balances	37,716	35,828	79	163
Trade receivables	23,594	18,162	-	-
Other receivables and prepayments	1,809	2,235	27	750
Prepaid lease payments	9	9	-	-
Income tax recoverable	7	7	-	-
Inventories	10,169	8,484	-	-
Derivative financial instruments	2	-	-	-
Pledged bank deposits (Note b)	764	1,581	-	-
Total current assets	74,070	66,306	106	913
Non-current assets				
Goodwill	1,516	1,516	-	-
Available-for-sale investments	867	955	-	-
Held-to-maturity investment	980	976	-	-
Other assets	604	518	-	-
Amount due from a subsidiary	-	-	18,625	18,046
Prepaid lease payments	456	453	-	-
Property, plant and equipment	22,417	23,028	-	-
Subsidiaries	-	-	10,735	10,735
Total non-current assets	26,840	27,446	29,360	28,781
Total assets	100,910	93,752	29,466	29,694
LIABILITIES AND EQUITY				
Current liabilities				
Bank and other borrowings	8,591	8,819	-	-
Trade payables	23,207	19,294	-	-
Other payables and accruals	4,353	3,618	110	199
Current portion of obligation under finance leases	257	220	-	-
Income tax payable	383	374	-	-
Derivative financial instruments	-	148	-	-
Total current liabilities	36,791	32,473	110	199
Non-current liabilities				
Bank and other borrowings	6,597	6,874	-	-
Obligation under finance leases	431	325	-	-
Retirement benefit obligations	750	816	-	-
Deferred tax liabilities	845	895	-	-
Total non-current liabilities	8,623	8,910	-	-
Capital, reserves and non-controlling interests				
Issued capital	10,087	10,087	10,087	10,087
Reserves	45,381	42,282	19,269	19,408
Equity attributable to owners of the Company	55,468	52,369	29,356	29,495
Non-controlling interests	28	-	-	-
Total equity	55,496	52,369	29,356	29,495
Total liabilities and equity	100,910	93,752	29,466	29,694

Note b: As at 31 December 2010, the Group's bank deposits of approximately US$764,000 (31 December 2009: US$1,581,000) were 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 31 December 2010		As at 31 December 2009	
	Secured US$'000	Unsecured US$'000	Secured US$'000	Unsecured US$'000
Bank and other borrowings	-	8,591	-	8,819
Obligation under finance leases (Note c)	257	-	220	-
Total	257	8,591	220	8,819

Amount repayable after one year

	As at 31 December 2010		As at 31 December 2009	
	Secured US$'000	Unsecured US$'000	Secured US$'000	Unsecured US$'000
Bank and other borrowings	-	6,597	-	6,874
Obligation under finance leases (Note c)	431	-	325	-
Total	431	6,597	325	6,874

Details of collateral

As at 31 December 2010, the Group's bank deposits of approximately US$764,000 (31 December 2009: US$1,581,000) were pledged to financial institutions to secure banking facilities granted to the Group. The Group did not utilize any such banking facilities as at 31 December 2010 and 31 December 2009. The carrying amount of the Group's property, plant and equipment includes an amount of US$1,240,000 (31 December 2009: US$1,223,000) in respect of assets held under finance leases which are secured by the lessor's title to the leased assets.

Note c: Included in the obligation under finance leases is the amount of US$317,000 arising from the consolidation of a newly acquired subsidiary during the financial year reported on.

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

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2010

	The Group			
	Three months / fourth quarter ended 31 December		Year ended 31 December	
	2010 US$'000	2009 US$'000	2010 US$'000	2009 US$'000
OPERATING ACTIVITIES				
Profit before income tax	1,254	2,173	4,562	1,558
Adjustments for				
Share-based payment expenses	-	-	-	111
Allowance for inventories	334	276	706	633
Depreciation	895	878	3,376	3,750
Amortization of prepaid lease payments	2	2	11	11
Interest income	(53)	(102)	(164)	(222)
Interest expenses	75	78	315	290
Loss/(Gain) on disposal of property, plant and equipment	50	(2)	46	167
Loss on disposal of other assets	-	-	-	3
Impairment loss on available-for-sale investment	153	18	153	18
Retirement benefit obligations	38	(15)	169	160
Change in fair value of derivative financial instruments	1	148	(150)	148
Operating cash flows before movements in working capital	2,749	3,454	9,024	6,627
Trade receivables, other receivables and prepayments	(4,005)	1,103	(5,414)	7,393
Inventories	(1,466)	(881)	(2,367)	1,511
Trade payables, other payables and accruals	3,337	1,482	3,936	(7,494)
Cash from operations	615	5,158	5,179	8,037
Income tax paid	(289)	(549)	(1,233)	(1,288)
Income tax refunded	-	3	-	142
Interest paid	(75)	(78)	(315)	(290)
Retirement benefit obligations paid	(334)	-	(334)	(56)
Net cash (used in)/from operating activities	(83)	4,534	3,297	6,545
INVESTING ACTIVITIES				
Proceeds from repayment of a loan receivable	-	258	735	774
Proceeds from disposal of property, plant and equipment	115	56	331	363
Proceeds from disposal of other assets	-	-	-	4
(Increase)/Decrease in other assets	(4)	41	(16)	342
Additional investment in available-for-sale investments	(5)	(4)	(17)	(15)
Purchase of property, plant and equipment (Note d)	(475)	(318)	(1,307)	(1,798)
Interest income received	53	102	164	222
Acquisition of a subsidiary (Note e)	-	-	(61)	-
Net cash (used in)/from investing activities	(316)	135	(171)	(108)
FINANCING ACTIVITIES				
Payment of share buyback	-	(10)	-	(71)
Decrease/(Increase) in pledged bank deposits	2	67	817	(286)
Proceeds from bank and other borrowings	29,488	27,393	81,156	143,183
Repayment of obligation under finance leases	(90)	(60)	(268)	(356)
Repayment of bank and other borrowings	(29,456)	(27,638)	(82,199)	(139,524)
Dividends paid	(1,510)	(1,008)	(3,021)	(3,025)
Net cash used in financing activities	(1,566)	(1,256)	(3,515)	(79)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,965)	3,413	(389)	6,358
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	476	(243)	2,277	(407)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	39,205	32,658	35,828	29,877
CASH AND CASH EQUIVALENTS AT END OF PERIOD	37,716	35,828	37,716	35,828

Note d: The Group acquired property, plant and equipment with aggregate cost of approximately US$1,398,000 (2009: US$1,813,000) of which US$91,000 (2009: US$15,000) was acquired by means of finance lease. Cash payment of approximately US$1,307,000 (2009: US$1,798,000) was made to purchase property, plant and equipment.

Note e: Acquisition of a subsidiary, net of cash acquired

	The Group			
	Three months / fourth quarter ended 31 December		Year ended 31 December	
	2010	2009	2010	2009
	US$'000	US$'000	US$'000	US$'000
The assets and liabilities of a subsidiary acquired during the year are as follows:				
Non-current assets	-	-	749	-
Current assets	-	-	418	-
Current liabilities	-	-	(823)	-
Non-current liabilities	-	-	(165)	-
Net assets acquired	-	-	179	-
Non-controlling interests	-	-	(50)	-
Total cost of acquisition	-	-	129	-
Net cash outflow arising on acquisition				
Cash consideration paid	-	-	129	-
Cash and cash equivalents acquired	-	-	(68)	-
Cash flow on acquisition, net of cash and cash equivalents acquired	-	-	61	-

1(d) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediate preceding financial year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2010

	Three months / fourth quarter ended 31 December			Year ended 31 December		
	2010 US$'000	2009 US$'000	% Increase/ (Decrease)	2010 US$'000	2009 US$'000	% Increase/ (Decrease)
Profit after income tax	978	1,493	(34.5%)	3,425	261	1,212.3%
Other comprehensive income:						
(Deferred tax liability arising)/Reversal of deferred tax liability on revaluation of available-for-sale investment	-	(36)	(100.0%)	27	(36)	(175.0%)
Exchange difference on translation of foreign operations	812	(267)	(404.1%)	2,708	(152)	(1,881.6%)
Available-for-sale investment						
Gain/(Loss) arising during the periods	2	80	(97.5%)	(62)	92	(167.4%)
Other comprehensive income for the period, net of tax	814	(223)	(465.0%)	2,673	(96)	(2,884.4%)
Total comprehensive income for the period, net of tax	1,792	1,270	41.1%	6,098	165	3,595.8%
Total comprehensive income attributable to:						
Owners of the Company	1,814	1,270	42.8%	6,120	165	3,609.1%
Non-controlling interests	(22)	-	N/A	(22)	-	N/A
	1,792	1,270	41.1%	6,098	165	3,595.8%

1(e)(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 capitalization 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	Treasury Shares US$'000	Share option reserve US$'000	Merger reserve US$'000	Reserve Fund US$'000	Enterprise Expansion Fund US$'000	Other Reserve US$'000	Revaluation reserve US$'000	Currency translation reserve US$'000	Retained earnings US$'000	Subtotal US$'000	Attributable to non-controlling interests US$'000	Total US$'000
Balance as at 1 January 2010	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	56	9,052	14,775	52,369	-	52,369
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(27)	802	775	-	775
Balance as at 31 March 2010	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	56	9,025	15,577	53,144	-	53,144
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(24)	788	1,005	1,769	-	1,769
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,511)	(1,511)	-	(1,511)
Balance as at 30 June 2010	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	32	9,813	15,071	53,402	-	53,402
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(13)	1,135	640	1,762	-	1,762
Appropriations	-	-	-	-	-	47	1	1	-	-	(49)	-	-	-
Non-controlling interests in relations to the acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	50	50
Balance as at 30 September 2010	10,087	18,994	(33)	286	(7,020)	4,739	311	1,171	19	10,948	15,662	55,164	50	55,214
Total comprehensive income for the period	-	-	-	-	-	-	-	-	2	812	1,000	1,814	(22)	1,792
Appropriations	-	-	-	-	-	119	2	2	-	-	(123)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,510)	(1,510)	-	(1,510)
Transfer on share options lapsed	-	-	-	(20)	-	-	-	-	-	-	20	-	-	-
Balance as at 31 December 2010	10,087	18,994	(33)	266	(7,020)	4,858	313	1,173	21	11,760	15,049	55,468	28	55,496

1(e)(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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

	Share Capital US$'000	Share premium of the Company US$'000	Treasury Shares US$'000	Share option reserve US$'000	Merger reserve US$'000	Reserve Fund US$'000	Enterprise Expansion Fund US$'000	Other Reserve US$'000	Revaluation reserve US$'000	Currency translation reserve US$'000	Retained earnings US$'000	Subtotal US$'000	Attributable to non-controlling interests US$'000	Total US$'000
Balance as at 1 January 2009	10,110	19,009	-	175	(7,020)	4,513	307	1,167	-	9,204	17,724	55,189	-	55,189
Total comprehensive income for the period	-	-	-	-	-	-	-	-	130	(851)	(1,995)	(2,716)	-	(2,716)
Share-based payment expense	-	-	-	66	-	-	-	-	-	-	-	66	-	66
Cancellation of purchased shares under Shares Purchase Mandate	(23)	(15)	-	-	-	-	-	-	-	-	-	(38)	-	(38)
Balance as at 31 March 2009	10,087	18,994	-	241	(7,020)	4,513	307	1,167	130	8,353	15,729	52,501	-	52,501
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(26)	277	(586)	(335)	-	(335)
Share-based payment expense	-	-	-	45	-	-	-	-	-	-	-	45	-	45
Dividend Paid	-	-	-	-	-	-	-	-	-	-	(2,017)	(2,017)	-	(2,017)
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(19)	-	-	-	-	-	-	-	-	(19)	-	(19)
Balance as at 30 June 2009	10,087	18,994	(19)	286	(7,020)	4,513	307	1,167	104	8,630	13,126	50,175	-	50,175
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(92)	689	1,349	1,946	-	1,946
Appropriations	-	-	-	-	-	46	1	1	-	-	(48)	-	-	-
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(4)	-	-	-	-	-	-	-	-	(4)	-	(4)
Balance as at 30 September 2009	10,087	18,994	(23)	286	(7,020)	4,559	308	1,168	12	9,319	14,427	52,117	-	52,117
Total comprehensive income for the period	-	-	-	-	-	-	-	-	44	(267)	1,493	1,270	-	1,270
Appropriations	-	-	-	-	-	133	2	2	-	-	(137)	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	(1,008)	(1,008)	-	(1,008)
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(10)	-	-	-	-	-	-	-	-	(10)	-	(10)
Balance as at 31 December 2009	10,087	18,994	(33)	286	(7,020)	4,692	310	1,170	56	9,052	14,775	52,369	-	52,369

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 US$'000	Share premium of the Company US$'000	Treasury Shares US$'000	Share option reserve US$'000	Retained earnings US$'000	Total US$'000
Balance as at 1 January 2010	10,087	18,994	(33)	286	161	29,495
Total comprehensive income for the period	-	-	-	-	(124)	(124)
Balance as at 31 March 2010	10,087	18,994	(33)	286	37	29,371
Total comprehensive income for the period	-	-	-	-	1,537	1,537
Dividend Paid	-	-	-	-	(1,511)	(1,511)
Balance as at 30 June 2010	10,087	18,994	(33)	286	63	29,397
Total comprehensive income for the period	-	-	-	-	(8)	(8)
Balance as at 30 September 2010	10,087	18,994	(33)	286	55	29,389
Total comprehensive income for the period	-	-	-	-	1,477	1,477
Dividend Paid	-	-	-	-	(1,510)	(1,510)
Transfer on share options lapsed	-	-	-	(20)	20	-
Balance as at 31 December 2010	10,087	18,994	(33)	266	42	29,356

	Share Capital US$'000	Share premium of the Company US$'000	Treasury Shares US$'000	Share option reserve US$'000	Retained earnings US$'000	Total US$'000
Balance as at 1 January 2009	10,110	19,009	-	175	669	29,963
Total comprehensive income for the period	-	-	-	-	(131)	(131)
Share-based payment expense	-	-	-	66	-	66
Cancellation of purchased shares under Shares Purchase Mandate	(23)	(15)	-	-	-	(38)
Balance as at 31 March 2009	10,087	18,994	-	241	538	29,860
Total comprehensive income for the period	-	-	-	-	1,841	1,841
Share-based payment expense	-	-	-	45	-	45
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(19)	-	-	(19)
Dividend Paid	-	-	-	-	(2,017)	(2,017)
Balance as at 30 June 2009	10,087	18,994	(19)	286	362	29,710
Total comprehensive income for the period	-	-	-	-	(104)	(104)
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(4)	-	-	(4)
Balance as at 30 September 2009	10,087	18,994	(23)	286	258	29,602
Total comprehensive income for the period	-	-	-	-	911	911
Shares purchased under Shares Purchase Mandate and held as treasury shares	-	-	(10)	-	-	(10)
Dividend Paid	-	-	-	-	(1,008)	(1,008)
Balance as at 31 December 2009	10,087	18,994	(33)	286	161	29,495

1(e)(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, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

Share Capital

As at 31 December 2009, the Company's issued and fully paid up share capital was US$10,087,084 represented by 503,534,221 ordinary shares (excluding treasury shares) and 820,000 treasury shares.

During the twelve months ended 31 December 2010, the Company did not purchase any shares under the Shares Purchase Mandate. As at 31 December 2010, the Company's issued and fully paid up share capital was US$10,087,084 represented by 503,534,221 ordinary shares (excluding treasury shares) and 820,000 treasury shares.

Treasury shares

	The Company			
	2010		2009	
	Number of shares	US$'000	Number of shares	US$'000
Balance as at 1 January	820,000	33	-	-
Purchased during the first quarter ended 31 March	-	-	-	-
Purchased during the second quarter ended 30 June	-	-	500,000	19
Purchased during the third quarter ended 30 September	-	-	100,000	4
Purchased during the fourth quarter ended 31 December	-	-	220,000	10
Balance as at 31 December	820,000	33	820,000	33

Share Options

On 9 March 2007, the Chief Executive Officer of the Company proposed to grant options to three executive directors and ten senior executives (the "2007 Participants") to subscribe for a total of 20,496,000 ordinary shares of US$0.02 each in the capital of the Company. This proposal was adopted by the Remuneration Committee and options granted were accepted by the 2007 Participants in April 2007. The option will be exercisable at S$0.13 per share with an exercise period commencing from 9 March 2008 to 8 March 2012 (both days inclusive).

On 23 May 2008, the Remuneration Committee which was duly authorized and appointed by the Company's board of directors to administer the CDW Holding Share Option Scheme (the "Scheme") resolved that the unexercised share options shall lapse and be cancelled on the ground that the objectives of the Scheme have not been met. The resolution was subsequently accepted by the majority of 2007 Participants and 19,032,000 share options granted were cancelled prior to 30 June 2008. The remaining unexercised 1,464,000 share options were lapsed in 2010.

On 11 June 2008, the Chief Executive Officer of the Company proposed to grant options to four executive directors and eight senior executives (the "2008 Participants") to subscribe for a total 19,032,000 ordinary share of US$0.02 each in the capital of the Company. This proposal was adopted by the Remuneration Committee and options granted were accepted by the 2008 Participants in June 2008. The option will be exercisable at S$0.07 per share with an exercise period commencing from 11 June 2009 to 10 June 2013 (both days inclusive).

The number of outstanding share options as at 31 December 2010 was 19,032,000 (31 December 2009: 20,496,000).

1(e)(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 31 December 2010	As at 31 December 2009
Issued shares	504,354,221	504,354,221
Less: Treasury shares	(820,000)	(820,000)
Total number of issued shares excluding treasury shares	503,534,221	503,534,221

1(e)(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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during 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 2009 except for the adoption of the new and revised Financial Reporting Standards which came into effect this financial year from 1 January 2010. The adoption of these new 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 / fourth quarter ended 31 December		Year ended 31 December	
	2010	2009	2010	2009
Based on weighted average number of ordinary shares in issue (US cents)				
- Basic	0.20	0.29	0.68	0.05
- Fully diluted (Note f)	0.20	-	0.68	-
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note g)	503,534,221	503,658,569	503,534,221	504,081,205
Effect of dilutive share options	2,571,892	-	2,603,105	-
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	506,106,113	503,658,569	506,137,326	504,081,205

Note f: There was no dilutive effect on the earnings per share as the average market price of ordinary shares during the period from the issue of the share options to 31 December 2009 was below the exercise price for the granted options.

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.**

	31 December 2010	31 December 2009
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	11.02	10.40
- The Company	5.83	5.86

The calculation of the net asset value per ordinary share was based on total of 503,534,221 (2009: 503,534,221) 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.**

Income Statement

During Financial Year 2010, the Group achieved a 13.6% increase in revenue to US$121.9 million. This compares with revenue of US$107.3 million in FY2009. This was mainly due to robust sales in LCD Backlight Units, our largest segment.

Group gross profits increased by US$2.3 million over the year, from US$25.3 million in FY2009 to US$27.6 million in FY2010. Administrative expenses were reduced by 2.1% or about US$0.5 million to US$21.6 million while other operating income increased by US$0.3 million from US$0.6 million to US$0.9 million with additional sales of moulds.

Against this backdrop of increased revenue and a reduction in operating expenses, there was a robust 12-fold improvement in resultant net profits, from US$0.3 million in FY2009 to US$3.4 million in the year under review. Improved economies of scale across the board have improved margins. Net margins grew from 0.2% in FY2009 to 2.8% in FY2010. During the year, we were also able to retain and strengthen relationships with key customers.

LCD Backlight Units
Comprising about half of our total Group revenue, LCD Backlight Unit sales improved by 21.3% or about US$11.2 million over FY2010 on the back of a recovering consumer electronics sector. Revenue for this segment was US$63.9 million.

With increasing economies of scale in this segment, our largest, we were able to realise cost efficiencies, increasing our operating margins by about 1.7 percentage points to 4.5%.

During the year, we manufactured a total of 2.5 million handsets and 28.1 million gamesets. In the preceding year, we manufactured 0.66 million handsets and 25.6 gamesets.

Office Automation
Sales in this segment remained steady at US$26.2 million, compared with US$25.1 million in FY2009. Operating margins improved from 6.8% in FY2009 to 10.1% in FY2010. With products used in the manufacture of office equipment such as printers and photocopiers, the replacement cycle tends to be long and order flow during the year was stable.

LCD Parts and Accessories
There was a marginal increase in revenue from this segment, from US$29.6 million in FY2009 to US$31.8 million in FY2010. Operating margins keep stable at around 4.1% for both years.

Statement of Financial Position

As of 31 December 2010, total assets and liabilities stood at US$100.9 million and US$45.4 million respectively.

Total current assets increased by US$7.8 million over the year to about US$74.1 million as at 31 December 2010. This was due mainly to increases in cash and bank balances, trade receivables and inventories. Cash and bank balances with pledged bank deposit increased by US$1.1 million. It was mainly due to the appreciation of the functional currencies, other than United States dollars, of operating subsidiaries, namely RMB and Japanese Yen.

Under trade receivables, in general the Group debtor turnover days were around 55 days. There is no change in the credit term to customers. The increase was in line with the increase in the total sales volume in 4Q2010. The increase in inventories was in line with the increase in revenue, and also for sales orders of a new model in the coming months.

Other receivables were mainly utility deposits, prepaid expenses, income tax refund and VAT recoverable.

Non-current assets decreased by about US$0.6 million over FY2010 to US$26.8 million. Available-for-sale investments consisted of investments in quoted shares and investment in EuroYen bond. The change in the fair value in the investment was properly reflected in the financial statement as at 31 December 2010.

Held-to-maturity investment comprised investment of funds in a leveraged lease arrangement for tax planning purpose. Other assets represented the directors' insurance and rental deposits. No material fluctuation noted during the current year.

Under property, plant and equipment, the year on year decrease represented mainly the depreciation charge provided and newly invested for assembling machine during the year. During this year, the Group had acquired 72% equity interest in S.M.T. Assembly Ltd. through a business combination.

Total liabilities increased by US$4.0 million to US$45.4 million as of 31 December 2010. During the year under review, the Group continued to repay bank loans and other borrowing according to its repayment schedule. No delay in payment was noted.

For trade payables, the increase in balance was in line with the rise in the revenue. There was no change in the credit terms from our suppliers.

Other payables and accruals comprised accruals for expenses, wage payable. The increase in other payables and accruals is as a result of higher revenue and demand in 4Q2010.

Cash Flow Statement

Cash and cash equivalents at 31 December 2010 increased to US$37.7 million, compared with US$35.8 million on 31 December 2009. The increase in operating cash flow was due to the increase in profit before tax for the year by US$3.0 million and the decrease in non-cash adjustments. In particular, the depreciation charge was decreased by US$0.4 million while the change in the fair value of derivative financial instruments was US$0.2 million.

The increase in working capital was due to the launch of new models in 4Q2010 which increased accounts receivable. The increase in inventory was due to increase in orders for new models in coming months.

Under retirement benefit obligations paid, Japan Tomoike paid US$0.3 million to the director upon his retirement.

The increase in investing activities from US$0.1 million as at 31 December 2009 to US$0.2 million as at 31 December 2010 was due to the receipt of settlement from Gilliwa and purchase of machineries amounting to US$1.3 million for replacement purposes.

The change in financing activities over FY2010 was due to the payment of dividends of US$3.0 million and a net settlement of US$1.0 million with banks. The increase in net effect of currency translation was due to the appreciation of the Japanese Yen and RMB in terms of US Dollars.

During the year, there were several bank transfers of RMB$30 million each between a subsidiary company and a company. A separate announcement of such transaction was released with this result announcement to provide the details.

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.

While the outlook ahead presents risks, we believe there are opportunities as well. In particular, we have to manage an economic environment with increasingly shortened technology product cycles and pronounced currency volatility. However, we note that the global technology sector has been on the uptrend with increasing demand for mobile customer electronics devices and the renewal cycle of corporate investments in information technology, according to analysts. Building on these positive trends, we will leverage on emerging opportunities. Within the group, we will continue to focus on manufacturing higher value-added products while managing costs. On balance, we are cautiously optimistic.

During 2010, we registered higher sales in all our business segments, especially for our largest business unit, LCD Backlight Units. Our capacity utilization for our largest segment, LCD Backlight Units in FY2010 was 43%. And we believe our group capacity utilisation has room for further optimization.

Operating in a highly competitive environment, the outlook for this business is contingent upon pricing and consumer demand for the end-products. We have been focusing on higher margin and more popular gamesets products which have bolstered sales and strengthened our order book. In the next few months, we anticipate the global launch of a new gamesets model and will closely monitor the customer response to it. If need be, we have the resources and capabilities to ramp up production and capture future orders.

In our other business segments, LCD parts and accessories and Office automation, we have been facing pricing pressures with the increasing production costs. To manage these costs, we will invest about US$1.5 million to purchase new equipment. This additional capital expenditure will boost our efficiency and decrease unit labour costs as we move ahead.

Our Office Automation business, comprising mainly of products used in the manufacture of office printers and photocopiers, should remain stable. However, the replacement cycle is long.

Our recent acquisition of S.M.T. Assembly Limited, a company that specialises in the provision of surface mounting technique services, stands us in good stead. Integrating this crucial production process, previously outsourced, into our operations will allow us to realise time and cost efficiencies which will boost our service offerings as we go forward.

As an international business, our Group remains exposed to country and currency risks. For currency risks, our main concern is the fluctuation of the US Dollar against the Japanese Yen, as we purchase Japanese made raw materials in Japanese Yen while sales are denominated in US Dollars. The Group will continue actively mitigating currency risks through forward contracts and options.

The strong Yen has also impacted our Japanese operations and sales, contributing to a dip of 7% in sales over the past year and an overall 40% decrease in sales from Japan over the past two years. We will have to manage this while maintaining our presence in this country as the networks we have built are vital to business development.

In the PRC, a robust economy has resulted in rising inflation and increased labour and raw material costs going into 2011. This will likely result in increased operating costs in our two locations in Dongguan and Shanghai.

Nonetheless, CDW will actively manage costs by (i) controlling and reducing administrative expenses wherever possible; (ii) lowering production cost per unit through production process re-engineering; and (iii) improving inventory management through reducing inventory turnover days and synchronizing raw material supply levels with customer orders.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	0.3 US cents per ordinary share	0.3 US cents per ordinary share
Tax Rate	Tax not applicable	Tax not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share	0.2 US cents per ordinary share	0.3 US cents per ordinary share
Tax Rate	Tax not applicable	Tax not applicable

(c) Date payable

To be determined later.

(d) Books closure date

To be determined later.

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

Not applicable.

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

13. 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 year ended 31 December 2010

The Group is organized into three 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

	LCD backlight units	Office automation	LCD parts and accessories	Eliminations	Consolidated
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue					
External sales	63,856	26,245	31,754		121,855
Inter-segment sales	39	3,904	3,528	(7,471)	-
Total revenue	63,895	30,149	35,282	(7,471)	121,855
Results					
Segment result	2,880	2,646	1,296		6,822
Unallocated corporate expense					(2,109)
Operating profit					4,713
Interest income					164
Interest expenses					(315)
Profit before income tax					4,562
Income tax expense					(1,137)
Profit after income tax					3,425
Assets					
Segment assets	35,971	19,462	42,263	(865)	96,831
Unallocated assets					4,079
Consolidated total assets					100,910
Liabilities					
Segment liabilities	10,642	6,679	10,809	(865)	27,265
Bank and other borrowings and obligation under finance leases					15,876
Unallocated liabilities					2,273
Consolidated total liabilities					45,414
Other information					
Capital expenditure	138	452	808		1,398
Depreciation of property, plant and equipment	921	446	2,009		3,376

Business segment for the year ended 31 December 2009

	LCD backlight units	Office automation	LCD parts and accessories	Eliminations	Consolidated
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue					
External sales	52,633	25,080	29,597		107,310
Inter-segment sales	224	3,605	3,882	(7,711)	-
Total revenue	52,857	28,685	33,479	(7,711)	107,310
Results					
Segment result	1,473	1,695	1,213		4,381
Unallocated corporate expense					(2,755)
Operating profit					1,626
Interest income					222
Interest expenses					(290)
Profit before income tax					1,558
Income tax expense					(1,297)
Profit after income tax					261
Assets					
Segment assets	32,619	17,329	41,442	(2,523)	88,867
Unallocated assets					4,885
Consolidated total assets					93,752
Liabilities					
Segment liabilities	10,745	6,965	7,690	(2,523)	22,877
Bank and other borrowings and obligation under finance leases					16,238
Unallocated liabilities					2,268
Consolidated total liabilities					41,383
Other information					
Capital expenditure	1,106	169	538		1,813
Depreciation of property, plant and equipment	1,092	497	2,161		3,750

Geographical Segment for the year ended 31 December 2010 and 2009

	Turnover		Non-Current Assets		Capital Expenditure	
	Year ended 31 December		Year ended 31 December		Year ended 31 December	
	2010 US$'000	2009 US$'000	2010 US$'000	2009 US$'000	2010 US$'000	2009 US$'000
Hong Kong	41,967	28,936	1,186	1,335	162	1,088
PRC	59,480	58,477	17,501	18,062	1,207	662
Japan	20,254	19,604	6,204	6,059	29	63
Others	154	293	-	-	-	-
Total	121,855	107,310	24,891	25,456	1,398	1,813

Non-current assets are mainly comprised of goodwill, prepaid lease payment and property, plant, equipment and deposits.

Information about major customer

Revenue from one key customer which has transactions with all segments accounted for 70% (FY2009: 70%) of total revenue for FY2010.

14. 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 in Hong Kong, PRC and Japan. Revenue in Hong Kong, PRC and Japan accounted for 34.4%, 48.8% and 16.6% of the total revenue respectively. Total revenue increased by 13.6% to US$121.9 million for the FY2010 as compared to the corresponding period in the previous year.

As at 31 December 2010, non-current assets located in Hong Kong, PRC and Japan accounted for 4.8%, 70.3% and 24.9% of the total non-current of the Group assets respectively. During the year, the Group invested a total capital expenditure of US$1.4 million for the purchase of equipment in Hong Kong, PRC and Japan.

15. A breakdown of sales

	Year ended 31 December		
	2010 US$'000	**2009** US$'000	**% Increase / (Decrease)**
Sales reported for the first quarter	25,377	20,734	22.4%
Sales reported for the second quarter	28,192	24,537	14.9%
Sales reported for the third quarter	32,246	31,934	1.0%
Sales reported for the fourth quarter	36,040	30,105	19.7%
Operating profit/(loss) after income tax for the first quarter	802	(1,995)	(140.2%)
Operating profit/(loss) after income tax for the second quarter	1,005	(586)	(271.5%)
Operating profit after income tax for the third quarter	640	1,349	(52.6%)
Operating profit after income tax for the fourth quarter	978	1,493	(34.5%)

16 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 2010**	**Year ended 31 December 2009**
Ordinary dividend		
- Interim	1,510	1,008
- Final	1,511	1,511
Total	3,021	2,519

17. Interested person transactions for the year ended 31 December 2010

Nil

BY ORDER OF THE BOARD

YOSHIMI Kunikazu
Executive Director
01 March 2011

DY MO Hua Cheung, Philip
Executive Director