

Unaudited Third Quarter Financial Statements And Dividend Announcement for the Nine months / Third Quarter Ended 30 September 2012

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.

	Note	Three months / third quarter ended 30 September			Nine months ended 30 September		
		2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
Revenue	(1)	62,450	42,811	45.9%	133,829	124,481	7.5%
Cost of sales		(47,901)	(34,133)	40.3%	(101,816)	(99,186)	2.7%
Gross profit		14,549	8,678	67.7%	32,013	25,295	26.6%
Other operating income		342	517	(33.8%)	1,106	1,108	(0.2%)
Distribution expenses		(817)	(597)	36.9%	(1,935)	(1,673)	15.7%
Administrative expenses		(6,792)	(6,069)	11.9%	(19,124)	(17,793)	7.5%
Finance costs		(63)	(74)	(14.9%)	(192)	(229)	(16.2%)
Profit before income tax		7,219	2,455	194.1%	11,868	6,708	76.9%
Income tax expense		(2,472)	(827)	198.9%	(3,689)	(2,613)	41.2%
Profit after income tax		4,747	1,628	191.6%	8,179	4,095	99.7%
Profit attributable to:							
Owners of the Company		4,729	1,621	191.7%	8,160	4,083	99.9%
Non-controlling interests		18	7	157.1%	19	12	58.3%
		4,747	1,628	191.6%	8,179	4,095	99.7%

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	
	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000
Depreciation of property, plant and equipment	892	852	2,641	2,555
Interest income	(94)	(192)	(324)	(366)
Net foreign exchange loss (Note a)	274	109	306	74
Allowance for inventories	201	(33)	397	441
Change in fair value of derivative financial instruments	-	13	1	2
Net (Gain)/Loss on disposal of property, plant and equipment	(9)	27	(63)	60
Over provision of income tax in respect of prior year	-	(13)	-	(13)
Impairment loss on available-for-sale investments	60	5	132	5

Note a: The foreign currency exchange loss for the nine months ended 30 September 2012 comprised mainly unrealised gain net of unrealised 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 realised gain net of realised loss on payments denominated in foreign currencies other than the functional currency in each Group entity.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 September 2012

	Three months / third quarter ended 30 September			Nine months ended 30 September		
	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
Profit after income tax	4,747	1,628	191.6%	8,179	4,095	99.7%
Other comprehensive income:						
Reversal of deferred tax liability/(Deferred tax liability arising) on revaluation of available-for-sale investments	8	(6)	(233.3%)	(13)	(2)	550.0%
Exchange difference on translation of foreign operations	182	1,446	(87.4%)	(298)	2,595	(111.5%)
Available-for-sale investments						
Fair value (loss)/gain arising during the periods	(19)	62	(130.6%)	33	52	(36.5%)
Reclassification to profit or loss from equity	-	(39)	N/A	-	(39)	N/A
Other comprehensive income/(expense) for the periods, net of tax	171	1,463	(88.3%)	(278)	2,606	(110.7%)
Total comprehensive income for the periods, net of tax	4,918	3,091	59.1%	7,901	6,701	17.9%
Total comprehensive income attributable to:						
Owners of the Company	4,900	3,084	58.9%	7,882	6,689	17.8%
Non-controlling interests	18	7	157.1%	19	12	58.3%
	4,918	3,091	59.1%	7,901	6,701	17.9%

- 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 STATEMENT OF FINANCIAL POSITION

As at 30 September 2012

	The Group		The Company	
	As at 30 September 2012 US\$'000	As at 31 December 2011 US\$'000	As at 30 September 2012 US\$'000	As at 31 December 2011 US\$'000
<u>ASSETS</u>				
Current assets				
Cash and bank balances	43,325	45,506	379	362
Trade receivables	28,608	24,228	-	-
Other receivables and prepayments	1,858	1,911	17	29
Prepaid lease payments	9	9	-	-
Income tax recoverable	7	7	-	-
Inventories	14,884	12,259	-	-
Derivative financial instruments	-	1	-	-
Other financial asset	4,731	-	-	-
Pledged bank deposits (Note b)	143	143	-	-
Total current assets	93,565	84,064	396	391
Non-current assets				
Available-for-sale investments	574	660	-	-
Held-to-maturity investment	979	978	-	-
Other assets	811	796	-	-
Amount due from a subsidiary	-	-	16,446	17,632
Prepaid lease payments	458	469	-	-
Property, plant and equipment	21,446	22,710	-	-
Subsidiaries	-	-	10,735	10,735
Total non-current assets	24,268	25,613	27,181	28,367
Total assets	117,833	109,677	27,577	28,758
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank and other borrowings	8,254	10,438	-	-
Trade payables	30,991	27,566	-	-
Other payables and accruals	5,877	5,102	484	166
Current portion of obligation under finance leases	450	349	-	-
Income tax payable	2,334	2,203	-	-
Total current liabilities	47,906	45,658	484	166
Non-current liabilities				
Bank and other borrowings	4,213	3,500	-	-
Obligation under finance leases	576	380	-	-
Retirement benefit obligations	1,395	947	-	-
Deferred tax liabilities	257	616	-	-
Total non-current liabilities	6,441	5,443	-	-
Capital, reserves and non-controlling interests				
Issued capital	10,087	10,087	10,087	10,087
Reserves	53,361	48,470	17,006	18,505
Equity attributable to owners of the Company	63,448	58,557	27,093	28,592
Non-controlling interests	38	19	-	-
Total equity	63,486	58,576	27,093	28,592
Total liabilities and equity	117,833	109,677	27,577	28,758

Note b: As at 30 September 2012, the Group's bank deposits of approximately US\$143,000 (31 December 2011: US\$143,000) 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 30 September 2012		As at 31 December 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	8,254	-	10,438
Obligation under finance leases	450	-	349	-
Total	450	8,254	349	10,438

Amount repayable after one year

	As at 30 September 2012		As at 31 December 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	4,213	-	3,500
Obligation under finance leases	576	-	380	-
Total	576	4,213	380	3,500

Details of collateral

As at 30 September 2012, the Group's bank deposits of approximately US\$143,000 (31 December 2011: US\$143,000) were 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\$1,505,000 (31 December 2011: US\$1,160,000) 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.

CONSOLIDATED STATEMENT OF CASH FLOWS For the period ended 30 September 2012				
	The Group			
	Three months / third quarter ended 30 September		Nine months ended 30 September	
	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000
OPERATING ACTIVITIES				
Profit before income tax	7,219	2,455	11,868	6,708
Adjustments for				
Allowance for inventories	201	(33)	397	441
Depreciation of property, plant and equipment	892	852	2,641	2,555
Amortization of prepaid lease payments	3	3	9	9
Interest income	(94)	(192)	(324)	(366)
Interest expenses	63	74	192	229
Impairment loss on available-for-sale investments	60	5	132	5
Net (gain)/loss on disposal of property, plant and equipment	(9)	27	(63)	60
Retirement benefit obligations	56	40	439	116
Change in fair value of derivative financial instruments	-	13	1	2
Operating cash flows before movements in working capital	8,391	3,244	15,292	9,759
Trade receivables, other receivables and prepayments	(6,704)	479	(4,827)	2,203
Inventories	1,183	(1,233)	(3,022)	(2,917)
Trade payables, other payables and accruals	5,189	(635)	4,201	2,477
Cash generated from operations	8,059	1,855	11,644	11,522
Net income tax paid	(911)	(473)	(3,404)	(1,355)
Interest paid	(63)	(74)	(192)	(229)
Net cash from operating activities	7,085	1,308	8,048	9,938
INVESTING ACTIVITIES				
Proceeds on disposal of property, plant and equipment	67	191	320	319
Increase/(Decrease) in other assets	47	(8)	(15)	(19)
Additional investment in available-for-sale investments	(5)	(5)	(13)	(13)
Purchase of property, plant and equipment (Note c)	(382)	(1,059)	(1,158)	(2,617)
Increase in other financial asset	(4,751)	-	(4,751)	-
Interest income received	94	192	324	366
Acquisition of additional shares in subsidiary	-	(16)	-	(16)
Net cash used in investing activities	(4,930)	(705)	(5,293)	(1,980)
FINANCING ACTIVITIES				
Proceeds from share options exercised	83	-	83	-
Payment of share buy back	(439)	(624)	(1,164)	(1,015)
Decrease in pledged bank deposits	-	25	-	621
Proceeds from bank and other borrowings	21,627	28,858	56,769	76,705
Repayment of obligation under finance leases	(99)	(56)	(273)	(209)
Repayment of bank and other borrowings	(20,681)	(28,957)	(58,257)	(76,804)
Dividend paid	-	-	(1,910)	(1,511)
Net cash from/(used in) financing activities	491	(754)	(4,752)	(2,213)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,646	(151)	(1,997)	5,745
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	258	947	(184)	1,740
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	40,421	44,405	45,506	37,716
CASH AND CASH EQUIVALENTS AT END OF PERIOD	43,325	45,201	43,325	45,201

Note c: During 9M2012, the Group acquired property, plant and equipment with aggregate cost of approximately US\$1,732,000 (9M2011: US\$2,617,000) of which US\$574,000 (9M2011: Nil) was acquired by means of finance lease. Cash payment of approximately US\$1,158,000 (9M2011: US\$2,617,000) 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	Treasury shares US\$'000	Share option reserve US\$'000	Merger reserve US\$'000	Reserve Fund US\$'000	Enterprise Expansion Fund US\$'000	Other Reserves US\$'000	Revaluation reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Attributable to equity holders of the Company US\$'000	Attributable to non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2012	10,087	18,994	(1,347)	266	(7,020)	5,446	321	1,181	(3)	14,476	16,156	58,557	19	58,576
Total comprehensive income for the period	-	-	-	-	-	-	-	-	51	(636)	(254)	(839)	(3)	(842)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(288)	-	-	-	-	-	-	-	-	(288)	-	(288)
Transfer on share options lapsed	-	-	-	(20)	-	-	-	-	-	-	20	-	-	-
Balance as at 31 March 2012	10,087	18,994	(1,635)	246	(7,020)	5,446	321	1,181	48	13,840	15,922	57,430	16	57,446
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(20)	156	3,685	3,821	4	3,825
Transfer	-	-	-	-	-	172	2	2	-	-	(176)	-	-	-
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(437)	-	-	-	-	-	-	-	-	(437)	-	(437)
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,910)	(1,910)	-	(1,910)
Balance as at 30 June 2012	10,087	18,994	(2,072)	246	(7,020)	5,618	323	1,183	28	13,996	17,521	58,904	20	58,924
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(11)	182	4,729	4,900	18	4,918
Transfer	-	-	-	-	-	473	2	2	-	-	(477)	-	-	-
Treasury shares transferred out to satisfy share options exercised	-	(15)	98	-	-	-	-	-	-	-	-	83	-	83
Transfer on share options exercised	-	-	-	(21)	-	-	-	-	-	-	21	-	-	-
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(439)	-	-	-	-	-	-	-	-	(439)	-	(439)
Balance as at 30 September 2012	10,087	18,979	(2,413)	225	(7,020)	6,091	325	1,185	17	14,178	21,794	63,448	38	63,486

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 (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	Attributable to equity holders of the Company US\$'000	Attributable to non-controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2011	10,087	18,994	(33)	266	(7,020)	4,858	313	1,173	21	11,760	15,049	55,468	28	55,496
Total comprehensive income for the period	-	-	-	-	-	-	-	-	25	198	1,030	1,253	11	1,264
Balance as at 31 March 2011	10,087	18,994	(33)	266	(7,020)	4,858	313	1,173	46	11,958	16,079	56,721	39	56,760
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(31)	951	1,432	2,352	(6)	2,346
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(391)	-	-	-	-	-	-	-	-	(391)	-	(391)
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,511)	(1,511)	-	(1,511)
Balance as at 30 June 2011	10,087	18,994	(424)	266	(7,020)	4,858	313	1,173	15	12,909	16,000	57,171	33	57,204
Total comprehensive income for the period	-	-	-	-	-	-	-	-	17	1,446	1,621	3,084	7	3,091
Arising on the acquisition of additional shares in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(24)	(24)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(624)	-	-	-	-	-	-	-	-	(624)	-	(624)
Transfer	-	-	-	-	-	458	6	6	-	-	(470)	-	-	-
Balance as at 30 September 2011	10,087	18,994	(1,048)	266	(7,020)	5,316	319	1,179	32	14,355	17,151	59,631	16	59,647

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 2012	10,087	18,994	(1,347)	266	592	28,592
Total comprehensive income for the period	-	-	-	-	(12)	(12)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(288)	-	-	(288)
Transfer on share options lapsed	-	-	-	(20)	20	-
Balance as at 31 March 2012	10,087	18,994	(1,635)	246	600	28,292
Total comprehensive income for the period	-	-	-	-	1,818	1,818
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(437)	-	-	(437)
Dividend paid	-	-	-	-	(1,910)	(1,910)
Balance as at 30 June 2012	10,087	18,994	(2,072)	246	508	27,763
Total comprehensive income for the period	-	-	-	-	(314)	(314)
Treasury shares transferred out to satisfy share options exercised	-	(15)	98	-	-	83
Transfer on share options exercised	-	-	-	(21)	21	-
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(439)	-	-	(439)
Balance as at 30 September 2012	10,087	18,979	(2,413)	225	215	27,093

	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 2011	10,087	18,994	(33)	266	42	29,356
Total comprehensive income for the period	-	-	-	-	50	50
Balance as at 31 March 2011	10,087	18,994	(33)	266	92	29,406
Total comprehensive income for the period	-	-	-	-	1,700	1,700
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(391)	-	-	(391)
Dividend paid	-	-	-	-	(1,511)	(1,511)
Balance as at 30 June 2011	10,087	18,994	(424)	266	281	29,204
Total comprehensive income for the period	-	-	-	-	(263)	(263)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	(624)	-	-	(624)
Balance as at 30 September 2011	10,087	18,994	(1,048)	266	18	28,317

- 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, 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 2011, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 483,048,221 ordinary shares (excluding treasury shares) and 21,306,000 treasury shares.

During the first quarter ended 31 March 2012, the Company purchased 3,798,000 ordinary shares of US\$0.02 each under the share purchase mandate and held them as treasury shares. As at 31 March 2012, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 479,250,221 ordinary shares (excluding treasury shares), and 25,104,000 treasury shares.

During the second quarter ended 30 June 2012, the Company purchased 6,013,000 ordinary shares of US\$0.02 each under the share purchase mandate and held them as treasury shares. As at 30 June 2012, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 473,237,221 ordinary shares (excluding treasury shares), and 31,117,000 treasury shares.

During the third quarter ended 30 September 2012, the Company purchased 5,916,000 ordinary shares of US\$0.02 each under the share purchase mandate and held them as treasury shares. In addition, 1,464,000 treasury shares were transferred out to satisfy share option exercised under the Share Option Scheme. As at 30 September 2012, the Company's issued and fully paid up share capital was US\$10,087,084 (30 September 2011: US\$10,087,084) represented by 468,785,221 (30 September 2011: 487,480,221) ordinary shares (excluding treasury shares), and 35,569,000 (30 September 2011: 16,874,000) treasury shares.

Treasury shares

	The Company			
	2012		2011	
	Number of shares	US\$'000	Number of shares	US\$'000
Balance as at 1 January	21,306,000	1,347	820,000	33
Purchased during the first quarter ended 31 March	3,798,000	288	-	-
Purchased during the second quarter ended 30 June	6,013,000	437	6,530,000	391
Purchased during the third quarter ended 30 September	5,916,000	439	9,524,000	624
Transferred during the third quarter ended 30 September	(1,464,000)	(98)	-	-
Balance as at 30 September	<u>35,569,000</u>	<u>2,413</u>	<u>16,874,000</u>	<u>1,048</u>

Share Options

On 11 June 2008, the Chief Executive Officer of the Company proposed to grant options to four executive directors and eight senior executives (the "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 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). During the first quarter ended 31 March 2012, 1,464,000 unexercised share options were lapsed on the ground that the employee left the Group. In addition, 1,464,000 share options were exercised under the Share Option Scheme during the third quarter ended 30 September 2012.

The number of outstanding share options as at 30 September 2012 was 16,104,000 (31 December 2011: 19,032,000).

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 2012	As at 31 December 2011
Issued shares	504,354,221	504,354,221
Less: Treasury shares	(35,569,000)	(21,306,000)
Total number of issued shares excluding treasury shares	<u>468,785,221</u>	<u>483,048,221</u>

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 quarter ended 30 September 2012, 1,464,000 treasury shares were transferred out to satisfy share options exercised under the Share Option Scheme. Except for this transfer, 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 2011 except for the adoption of the new and revised International Financial Reporting Standards which came into effect this financial year from 1 January 2012. 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 / third quarter ended 30 September		Nine months ended 30 September	
	2012	2011	2012	2011
Based on weighted average number of ordinary shares in issue (US cents)				
- Basic	1.00	0.33	1.71	0.82
- Fully diluted	0.99	0.33	1.70	0.81
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note d)	471,691,928	493,696,025	476,918,217	499,899,042
Effect of dilutive share options	3,709,822	4,219,046	3,958,396	2,620,158
	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	<u>475,401,750</u>	<u>497,915,071</u>	<u>480,876,613</u>	<u>502,519,200</u>

Note d: 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 2012	31 December 2011
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	13.54	12.13
- The Company	5.78	5.92

The calculation of the net asset value per ordinary share was based on total number of 468,785,221 (31 December 2011: 483,048,221) 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

Following the momentum from 2Q12, the Group recorded a 7.5% or US\$9.3 million increase in revenue to US\$133.8 million as compared to the revenue of US\$124.5 million in the corresponding period in the previous year. The increase was firstly due to the mass production of LCD backlight unit for a new gameset in which the Group is the key supplier as a result of scale down in production by some of the competitors. Secondly, it was due to the mass production of certain new products in the LCD Parts and Accessories which started in 2Q12 and continues without significant interruption caused by the customer's inventory adjustment in 3Q12.

The Group's gross profit for the nine-month period of the current financial year under review was increased by US\$6.7 million or 26.6% to US\$32.0 million with gross profit margin at 23.9% as compared to 20.3% in the corresponding period in the previous year. The increase in gross profit margin was due to the fact the margin for new products is normally higher at the startup and subsequently adjusted downward under pricing pressure from customers.

Distribution expenses increased by US\$0.3 million, in line with rising revenue, to US\$1.9 million for the nine-month period of the current financial period under review. Administrative expenses grew by 7.5% or US\$1.3 million to US\$19.1 million, attributable to the increase in headcount and salary-related expenses. Finance costs remained at a low level during the current period under review as the Group maintained a low gearing policy in a low interest rate environment.

Income tax expenses were increased by US\$1.1 million from US\$2.6 million to US\$3.7 million as compared to that in the corresponding period in the previous year. In September, a group restructuring exercise was undertaken to save withholding income tax on dividend from subsidiaries in the PRC in future. This restructuring led to an immediate income tax on the gain on intra-group transfer of a subsidiary amounting to US\$0.6 million to be recognised and recorded as income tax expense in 3Q12.

LCD Backlight Units

LCD Backlight segment accounts for more than half of the Group's sales. Its sales increased by 5.7% to US\$83.8 million in the nine-month period of the current financial year under review, as compared to the sales of US\$79.3 million in the corresponding period in the previous year. The mass production of a new model of LCD backlight unit for gameset has started in 2Q12 with stable orders expected until the end of the current financial year. During the nine-month period under review, the Group manufactured 3.6 million units for handsets (mainly smartphones) and 28.0 million units for gamesets (including camera) as compared to 7.0 million units for handsets and 28.5 million units for gamesets in the corresponding period in the previous year. The Group recorded an improvement in the segment's operating margin points of 4.5% from 7.2% to 11.7% during the current period under review.

Office Automation

Sales in the Office Automation segment were affected by weak demand in Japan and termination of some old products in the PRC, which collectively led to a decrease in sales by 22.7% or US\$4.4 million to US\$14.9 million. The Group recorded a negative operating margin of 12.9% as compared to a positive operating margin of 6.0% in the corresponding period in the previous year.

LCD Parts and Accessories

LCD Parts and Accessories segment registered an increase in revenue of 35.5% or US\$9.2 million to US\$35.1 million in the nine-month period of the current financial year under review from US\$25.9 million in the corresponding period in the previous year. The growth in revenue was attributable to the mass production of LCD parts for a new product of handheld device. The mass production was started in 2Q12 and is expected to continue until the end of the current financial year. Operating margin was improved from 8.5% to 17.4% as the margin of new products is normally higher during startup stage. This segment recorded an operating profit of US\$6.1 million as compared to US\$2.2 million in the corresponding period in the previous year. The segment continues to take the leverage of close relationship with manufacturer of optical sheets and to strengthen the business related to Japanese-made optical sheets.

Overall, the Group booked a net profit of US\$8.2 million, an increase of US\$4.1 million or 99.7% as compared to the net profit in the corresponding period in the previous year.

Statement of Financial Position

As at 30 September 2012, total assets and liabilities stood at US\$117.8 million and US\$54.3 million respectively.

Total current assets increased by US\$9.5 million over the nine-month period of the current financial year under review to US\$93.6 million as at 30 September 2012. In September this year, the Group has entered into an entrusted loan agreement with an independent third party to generate a higher interest income from idle cash in the PRC, which resulted in a lower level of cash and bank balances as at 30 September 2012. The mass production of new models in LCD Backlight Unit segment and LCD Parts and Accessories segment started in 2Q12 has lifted the inventory level as well as the trade receivables as at 30 September 2012. The Group's debtor turnover day was 38 days as a result of increased sales to customers with shorter credit term.

In general, there is no material change in the credit term to customers. Other receivables mainly represented utility deposits, prepaid expenses and value-added tax recoverable.

Total non-current assets stood at US\$24.3 million, representing a reduction of US\$1.3 million over the nine-month period of the current financial year under review. The change was mainly caused by the capital expenditure amounting to US\$1.7 million less the net book value of assets disposed and the depreciation charges amounting to US\$2.9 million for the nine-month period.

Total liabilities as at 30 September 2012 rose to US\$54.3 million, representing an increase of US\$3.2 million over the nine-month period of the current financial year under review. During the current period under review, the Group obtained a 4-year term loan to replace short-term loans and had a net settlement of bank loans and other borrowings amounting to US\$1.5 million with an outstanding balance of US\$12.5 million as at 30 September 2012.

The trade payables were up by US\$3.4 million to US\$31.0 million as at 30 September 2012, which was consistent with the rise in the revenue. There was no material change in the credit terms offered by the Group's suppliers.

Other payables and accruals, comprising accruals for expenses and wage payables, were increased by US\$0.8 million to US\$5.9 million as at 30 September 2012 to reflect the general increase in staff welfare benefit and labour costs.

The income tax on profit was provided and adjusted under tax rules of different jurisdiction in which the Group is operating. As mentioned above, an income tax of US\$0.6 million on the gain on intra-group transfer of a subsidiary arising from a group restructuring exercise was recognised and recorded in the income tax payable.

Statement of Cash Flows

During the year, the Group generated operating cash flows of US\$15.3 million during the nine-month period of the current financial year under review. The reasons for the change in cash and cash equivalents of US\$43.3 million as at 30 September 2012 were highlighted below.

The Group had net cash from operating activities amounting to US\$8.0 million for the nine-month period of the current financial year under review as compared to US\$9.9 million in the corresponding period in the previous year. The decrease in operating cash flow was mainly due to the additional working capital required for the rise in revenue and the payment of income tax during the period.

For the investing activities, the Group purchased property, plant and equipment amounting to US\$1.2 million, mainly for LCD Parts and Accessories segment, during the nine-month period of the current financial year under review as compared to US\$2.6 million for Office Automation and LCD Parts and Accessories segments in the corresponding period.

Net cash used in financing activities was increased to US\$4.8 million as compared to US\$2.2 million in the corresponding period in the previous year. The net cash out flows included the payment of dividends, the payment of share buyback and net repayment of bank loans amounting to US\$1.9 million, US\$1.2 million and US\$1.5 million respectively, as compared to the payment of dividends, the payment of share buyback and net payment of bank loans amounting to US\$1.5 million, and US\$1.0 million and US\$0.1 million in the corresponding period in the previous year.

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 Group is primarily engaged in the industry of manufacturing LCD modules for a wide range of high-end electronic consumer products which is dominated by a handful of mega industry players. The business environment has been highly competitive owing to constant and regular downward pricing pressure from those players, uncertain consumer demand for end-products which normally associated with short product life cycle. Any adverse effect to the global economy may further worsen the business environment.

For the Group, the strong Japanese yen and Chinese renminbi coupled with both increasing labour cost and tightening labour supply in the PRC add pressure to the Group's manufacturing cost as the Group's some of critical materials are sourced from Japan in Japanese yen while sales are denominated in US dollars, and its manufacturing facilities are mainly located in the PRC where all payments are denominated in Chinese renminbi.

Performance Outlook

While the Group continues to explore for new line of business as well as new customers in the Office Automation segment, the other two LCD module related segments, LCD Backlight segment and LCD Parts and Accessories segment, may not be able to keep up and their performance is expected to slowdown unless the mass production of new models can be started and orders are placed early next year before the existing models are being replaced by new models.

For LCD Backlight Unit segment, even though the market of backlight unit for handheld game devices and digital cameras is shrinking and replaced by multi-function smart phones, the Group is compensated by having a bigger share of orders from key customer as a key supplier as a result of market consolidation. However, the size of the order and the allocation among the suppliers by our key customers would affect the Group's performance and profitability.

For LCD Parts and Accessories segment, orders for LCD parts for smart phones and tablet computers have increased since 2Q12 but are expected to slow down early next year as the end products approach the later stage of the product life cycle.

Among those Japanese multi-national corporations in consumer electronic and LCD module markets which reported substantial operating losses recently, some of them are the Group's key customers. Management will closely monitor the credit policy and collection of trade receivables. A contingency plan will be formulated in case our key customers' performance worsens. As at the date of this report, the Group did not experience any prolong settlement of trade receivables or drop in orders from those customers.

Lastly, Management devises strategies and tactics to fuel profit growth by minimizing expenses through regular review of operating costs, production process re-engineering and active inventory management on one hand, and by researching and developing new lines of products using existing know-how on the other hand. Overall, Management remains optimistic towards the performance of the Group's operation for the financial year 2012 and in near future.

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/recommendeded, a statement to that effect.

No dividend has been declared for the current financial period.

13. 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 has not obtained any general mandate from shareholders for IPTs, and did not have any interested person transactions for the nine months ended 30 September 2012.

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

14. **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 2012

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
<u>Revenue</u>					
External sales	83,757	14,932	35,140	-	133,829
Inter-segment sales	-	1,182	2,376	(3,558)	-
Total revenue	83,757	16,114	37,516	(3,558)	133,829
<u>Results</u>					
Segment result	9,803	(1,930)	6,131		14,004
Unallocated corporate expense					(2,268)
Operating profit					11,736
Interest income					324
Interest expenses					(192)
Profit before income tax					11,868
Income tax expense					(3,689)
Profit after income tax					8,179
<u>Assets</u>					
Segment assets	53,384	14,546	43,555	(1,150)	110,335
Unallocated assets					7,498
Consolidated total assets					117,833
<u>Liabilities</u>					
Segment liabilities	16,923	4,054	16,560	(1,150)	36,387
Bank and other borrowings and obligation under finance leases					13,493
Unallocated liabilities					4,467
Consolidated total liabilities					54,347
<u>Other information</u>					
Capital expenditure	170	179	1,383		1,732
Depreciation of property, plant and equipment	486	295	1,860		2,641

Business segment for the nine months ended 30 September 2011

	LCD backlight units US\$'000	Office automation US\$'000	LCD parts and accessories US\$'000	Eliminations US\$'000	Consolidated US\$'000
Revenue					
External sales	79,259	19,324	25,898	-	124,481
Inter-segment sales	-	3,669	2,389	(6,058)	-
Total revenue	79,259	22,993	28,287	(6,058)	124,481
Results					
Segment result	5,713	1,160	2,203		9,076
Unallocated corporate expense					(2,505)
Operating profit					6,571
Interest income					366
Interest expenses					(229)
Profit before income tax					6,708
Income tax expense					(2,613)
Profit after income tax					4,095
Assets					
Segment assets	42,554	19,353	44,158	(1,662)	104,403
Unallocated assets					4,395
Consolidated total assets					108,798
Liabilities					
Segment liabilities	12,674	5,667	12,733	(1,662)	29,412
Bank and other borrowings and obligation under finance leases					15,636
Unallocated liabilities					4,103
Consolidated total liabilities					49,151
Other information					
Capital expenditure	484	847	1,286		2,617
Depreciation of property, plant and equipment	515	387	1,653		2,555

Geographical Segment for the nine months ended 30 September 2012 and 2011

	Turnover		Non-Current Assets		Capital Expenditure	
	Nine months ended 30 September		Nine months ended 30 September		Nine months ended 30 September	
	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000	2012 US\$'000	2011 US\$'000
Hong Kong	31,653	36,497	1,001	1,111	27	13
PRC	86,705	75,101	17,303	18,006	1,691	2,246
Japan	11,735	12,880	4,235	6,411	14	358
Others	3,736	3	-	-	-	-
Total	133,829	124,481	22,539	25,528	1,732	2,617

Non-current assets mainly comprise prepaid lease payment and property, plant, equipment and deposits. Non-current assets as at 30 September 2011 also included goodwill amounting to US\$1.5 million which was fully impaired in the financial year 2011.

Information about major customer

Revenue from one key customer which has transactions with all segments accounted for 74% (9M2011: 78%) of total revenue for 9M2012.

15. 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, the PRC and Japan. Revenue in Hong Kong, the PRC and Japan accounted for 23.7%, 64.8% and 8.8% of the total revenue respectively. Total revenue increased by 7.5% to US\$133.8 million for the first nine months in 2012 as compared to the corresponding period in the previous year.

As at 30 September 2012, non-current assets located in Hong Kong, the PRC and Japan accounted for 4.4%, 76.8% and 18.8% of the total non-current assets of the Group respectively. During the first nine months of 2012, the Group invested a total capital expenditure of US\$1.7 million for the purchase of equipment in Hong Kong, the PRC and Japan, in which the capital expenditure in the PRC is mainly for producing new products.

16. A breakdown of sales

	Nine months ended 30 September		
	2012 US\$'000	2011 US\$'000	% Increase/ (Decrease)
Sales reported for the first quarter	31,345	38,737	(19.1%)
Sales reported for the second quarter	40,034	42,933	(6.8%)
Sales reported for the third quarter	62,450	42,811	45.9%
Operating (loss)/profit after income tax for the first quarter	(257)	1,041	(124.7%)
Operating profit after income tax for the second quarter	3,689	1,426	158.7%
Operating profit after income tax for the third quarter	4,747	1,628	191.6%

17. 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 2011	Year ended 31 December 2010
Ordinary dividend		
- Interim	1,461	1,510
- Final	1,910	1,511
Total	3,371	3,021

18. 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 2012 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

URANO Koichi
Executive Director
14 November 2012

DY MO Hua Cheung, Philip
Executive Director