

Unaudited First Quarter Financial Statements And Dividend Announcement for the Three Months / First Quarter Ended 31 March 2015
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 period ended 31 March 2015**

	Note	Three months / first quarter ended 31 March		
		2015 US\$'000	2014 US\$'000	% Increase/ (Decrease)
Revenue		38,217	34,748	10.0%
Cost of sales		(29,960)	(27,508)	8.9%
Gross profit		8,257	7,240	14.0%
Other operating income		400	508	(21.3%)
Distribution expenses		(716)	(523)	36.9%
Administrative expenses		(5,045)	(5,186)	(2.7%)
Finance costs		(51)	(35)	45.7%
Share of results of associates		19	-	N.M.*
Profit before income tax	(1)	2,864	2,004	42.9%
Income tax expense		(1,287)	(596)	115.9%
Profit after income tax		1,577	1,408	12.0%
Profit attributable to:				
Owners of the Company		1,578	1,411	11.8%
Non-controlling interests		(1)	(3)	(66.7%)
		1,577	1,408	12.0%

* N.M.: Not meaningful.

Note (1)

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

	Three months / first quarter ended 31 March	
	2015 US\$'000	2014 US\$'000
Depreciation of property, plant and equipment	490	498
Interest income	(349)	(412)
Net foreign exchange (gain)/loss (Note a)	(276)	9
Increase in allowance for inventories	118	132
Change in fair value of derivative financial instruments	(62)	(88)
Net loss on disposal of property, plant and equipment	-	5
Interest on borrowings	51	35
Change in fair value of held for trading investments	8	-

Note a: The foreign currency exchange gain for the three months ended 31 March 2015 comprised mainly unrealised gain net of unrealised loss 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 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 31 March 2015

	Three months / first quarter ended 31 March		
	2015 US\$'000	2014 US\$'000	% Increase/ (Decrease)
Profit after income tax	1,577	1,408	12.0%
Other comprehensive income:			
Reversal of deferred tax liability/(Deferred tax liability arising) on revaluation of available-for-sale investments	3	(17)	(117.6%)
Exchange difference on translation of foreign operations	(225)	(188)	19.7%
Available-for-sale investments:			
Fair value (loss)/ gain arising during the periods	(9)	48	(118.8%)
Other comprehensive expense for the period, net of tax	(231)	(157)	47.1%
Total comprehensive income for the period, net of tax	1,346	1,251	7.6%
Total comprehensive income attributable to:			
Owners of the Company	1,347	1,254	7.4%
Non-controlling interests	(1)	(3)	(66.7%)
	1,346	1,251	7.6%

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 31 March 2015

	The Group		The Company	
	As at 31 March 2015 US\$'000	As at 31 December 2014 US\$'000	As at 31 March 2015 US\$'000	As at 31 December 2014 US\$'000
ASSETS				
Current assets				
Cash and bank balances	63,015	68,730	1,289	831
Trade receivables	18,089	23,295	-	-
Other receivables and prepayments	2,408	2,867	22	20
Inventories	8,393	11,013	-	-
Loans and receivables	1,955	1,898	-	-
Held for trading investments	434	442	-	-
Pledged bank deposit (Note b)	145	145	-	-
Total current assets	94,439	108,390	1,311	851
Non-current assets				
Available-for-sale investments	66	73	-	-
Held-to-maturity investment	980	980	-	-
Other assets	492	538	-	-
Amount due from a subsidiary	-	-	15,215	15,857
Property, plant and equipment	8,642	8,954	-	-
Investment in subsidiaries	-	-	11,087	11,002
Investment in associates	2,461	-	-	-
Total non-current assets	12,641	10,545	26,302	26,859
Total assets	107,080	118,935	27,613	27,710
LIABILITIES AND EQUITY				
Current liabilities				
Bank and other borrowings	10,095	10,595	-	-
Trade payables	13,289	23,040	-	-
Other payables and accruals	5,203	6,836	220	229
Derivative financial instruments	13	75	-	-
Current portion of obligation under finance leases	156	173	-	-
Income tax payable	2,009	2,506	-	-
Total current liabilities	30,765	43,225	220	229
Non-current liabilities				
Bank and other borrowings	3,401	4,365	-	-
Obligation under finance leases	153	182	-	-
Retirement benefit obligations	652	634	-	-
Deferred tax liabilities	501	352	-	-
Total non-current liabilities	4,707	5,533	-	-
Capital, reserves and non-controlling interests				
Issued capital	10,087	10,087	10,087	10,087
Reserves	61,512	60,080	17,306	17,394
Equity attributable to owners of the Company	71,599	70,167	27,393	27,481
Non-controlling interests	9	10	-	-
Total equity	71,608	70,177	27,393	27,481
Total liabilities and equity	107,080	118,935	27,613	27,710

Note b: As at 31 March 2015, the Group's bank deposit of approximately US\$145,000 (31 December 2014: US\$145,000) 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 31 March 2015		As at 31 December 2014	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	10,095	-	10,595
Obligation under finance leases	156	-	173	-
Total	156	10,095	173	10,595

Amount repayable after one year

	As at 31 March 2015		As at 31 December 2014	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	3,401	-	4,365
Obligation under finance leases	153	-	182	-
Total	153	3,401	182	4,365

Details of collateral

As at 31 March 2015, the Group's bank deposit of approximately US\$145,000 (31 December 2014: US\$145,000) 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\$284,000 (31 December 2014: US\$332,000) 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 31 March 2015		
	The Group	
	Three months / first quarter ended 31 March	
	2015	2014
	US\$'000	US\$'000
OPERATING ACTIVITIES		
Profit before income tax	2,864	2,004
Adjustments for		
Increase in allowance for inventories	118	132
Depreciation of property, plant and equipment	490	498
Interest income	(349)	(412)
Finance costs	51	35
Net loss on disposal of property, plant and equipment	-	5
Retirement benefit obligations	21	27
Changes in fair value of derivative financial instruments	(62)	(88)
Share-based payment expense	84	-
Changes in fair value of held for trading investments	8	-
Operating cash flows before movements in working capital	3,225	2,201
Change in working capital:		
Trade receivables, other receivables and prepayments	5,665	12,767
Inventories	2,502	3,276
Trade payables, other payables and accruals	(11,382)	(8,254)
Cash generated from operations	10	9,990
Net income tax paid	(1,623)	(1,104)
Interest paid	(51)	(35)
Share of results of associates	(19)	-
Net cash (used in)/from operating activities	(1,683)	8,851
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	22
Decrease/(Increase) in other assets	44	(35)
Additional investment in available-for-sale investments	(3)	(3)
Purchase of property, plant and equipment (Note c)	(213)	(175)
(Increase)/Decrease in loans and receivables	(57)	974
Interest income received	349	412
Investment in associates	(2,442)	-
Net cash (used in)/from investing activities	(2,322)	1,195
FINANCING ACTIVITIES		
Proceeds from bank and other borrowings	72,410	9,766
Repayment of obligation under finance leases	(46)	(77)
Repayment of bank and other borrowings	(73,869)	(6,649)
Net cash (used in)/from financing activities	(1,505)	3,040
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(5,510)	13,086
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	(205)	(182)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	68,730	51,546
CASH AND CASH EQUIVALENTS AT END OF PERIOD	63,015	64,450

Note c: In the first quarter ended 31 March 2015, the Group acquired property, plant and equipment with aggregate cost of US\$213,000 (1Q2014: US\$175,000) in cash and did not acquire any property, plant, and equipment by means of finance lease (1Q2014: Nil).

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 2015	10,087	18,994	(202)	(2,061)	209	(7,020)	6,772	329	1,190	23	11,324	30,522	70,167	10	70,177
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(6)	(225)	1,578	1,347	(1)	1,346
Share-based payment expense	-	-	-	-	85	-	-	-	-	-	-	-	85	-	85
Balance as at 31 March 2015	10,087	18,994	(202)	(2,061)	294	(7,020)	6,772	329	1,190	17	11,099	32,100	71,599	9	71,608

	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 2014	10,087	18,994	(221)	(2,100)	-	(7,020)	6,656	327	1,187	377	12,681	27,967	68,935	52	68,987
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	31	(188)	1,411	1,254	(3)	1,251
Balance as at 31 March 2014	10,087	18,994	(221)	(2,100)	-	(7,020)	6,656	327	1,187	408	12,493	29,378	70,189	49	70,238

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	Share capital reserve US\$'000	Treasury shares US\$'000	Employee share option reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2015	10,087	18,994	(202)	(2,061)	209	454	27,481
Total comprehensive income for the period	-	-	-	-	-	(173)	(173)
Share-based payment expense	-	-	-	-	85	-	85
Balance as at 31 March 2015	10,087	18,994	(202)	(2,061)	294	281	27,393

	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	Retained earnings US\$'000	Total US\$'000
Balance as at 1 January 2014	10,087	18,994	(221)	(2,100)	-	134	26,894
Total comprehensive income for the period	-	-	-	-	-	3,366	3,366
Balance as at 31 March 2014	10,087	18,994	(221)	(2,100)	-	3,500	30,260

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 2014, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 474,914,221 ordinary shares (excluding treasury shares) and 29,440,000 treasury shares.

During the first quarter ended 31 March 2015, the Company did not purchase any ordinary share under the share purchase mandate and held them as treasury shares. Also, the Company did not transfer any treasury shares out to satisfy share options exercised under the Company's Employee Share Option Scheme. As at 31 March 2015, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 474,914,221 ordinary shares (excluding treasury shares), and 29,440,000 treasury shares.

Treasury shares

During the first quarter ended 31 March 2014, the Company did not purchase any ordinary share under the share purchase mandate and held them as treasury shares, and did not transferred any shares from the treasury shares. As at 31 March 2014, the Company's treasury shares was US\$2,099,908 represented by 29,992,000 treasury shares.

During the first quarter ended 31 March 2015, the Company did not purchase any ordinary share under the share purchase mandate and held them as treasury shares, and did not transferred any shares from the treasury shares. As at 31 March 2015, the Company's treasury shares was US\$2,061,261 represented by 29,440,000 treasury shares.

Share Options

On 30 May 2014, the Chief Executive Officers 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 will be exercisable at S\$0.108 per share with an exercise period commencing from 30 May 2016 to 29 May 2019 (both days inclusive).

The number of outstanding share options as at 31 March 2015 was 19,000,000 (31 December 2014: 19,000,000).

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 31 March 2015	As at 31 December 2014
Issued shares	504,354,221	504,354,221
Less: Treasury shares	(29,440,000)	(29,440,000)
	<hr/>	<hr/>
Total number of issued shares excluding treasury shares	<u>474,914,221</u>	<u>474,914,221</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.

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 2014 except for the adoption of the new and revised International Financial Reporting Standards which came into effect this financial year from 1 January 2015. 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 / first quarter ended 31 March	
	2015	2014
Based on weighted average number of ordinary shares in issue (US cents)		
- Basic	0.33	0.30
- Fully diluted (Note d)	0.33	N/A
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note e)	474,914,221	474,362,221
Effect of dilutive share options	7,914,100	N/A
	<hr/>	<hr/>
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	<u>482,828,321</u>	<u>N/A</u>

Note d: 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 31 March 2015.

Note e: 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 March 2015	31 December 2014
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	15.08	14.78
- The Company	5.77	5.79

The calculation of the net asset value per ordinary share was based on total number of 474,914,221 (31 December 2014: 474,914,221) 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.**

Statement of Profit or Loss

In the first quarter of the current year under review ("1Q15"), the Group recorded an increase of US\$3.5 million in revenue to US\$38.2 million as compared to the revenue of US\$34.7 million in the corresponding quarter in the previous year ("1Q14"). It was mainly attributable to the stable supply of light guide panel, a critical component in the LCD Backlight Units segment, which enabled the Group to catch up backlog orders. Such comparatively higher utilisation rate led to an improvement in gross profit for 1Q15 by US\$1.0 million or 14.0% to US\$8.3 million with gross profit margin rising to 21.6% as compared to 20.8% in 1Q14.

Other operating income mainly comprised of interest income. In the area of expenses, distribution expenses was up by US\$0.2 million to US\$0.7 million in 1Q15 (1Q14: US\$0.5 million) due to higher sales volume. Attributable to cost control over administrative expenses weakening and Japanese yen, administrative expenses slightly dropped by US\$0.2 million to US\$5.0 million (1Q14: US\$5.2 million). Finance costs remained in a low level during the quarter as the Group maintained a low gearing policy in low interest rate environment. Income tax expenses jumped by US\$0.7 million to US\$1.3 million over 1Q15 (1Q14: US\$0.6 million) as income tax of profit-making subsidiaries cannot be offset by the loss credit of loss-making subsidiaries. In line with the rise in revenue, the Group registered an increment of US\$0.9 million and US\$0.2 million in the profit before income tax and the profit after income tax for 1Q15 to US\$2.9 million (1Q14: US\$2.0 million) and US\$1.6 million (1Q14: US\$1.4 million) respectively.

LCD Backlight Units

During 1Q15, the LCD Backlight Units segment sold 3.9 million (1Q14: 2.2 million) backlight units for handsets and 4.8 million (1Q14: 3.6 million) backlight units for gamesets. The segment revenue grew by US\$6.2 million to US\$29.1 million in 1Q15 (1Q14: US\$22.9 million) as explained above. The segment recorded an operating profit of US\$3.4 million in 1Q15 (1Q14: US\$2.2 million) at an operating margin of 11.7% (1Q14: 9.6%), representing an improvement of 2.1% in operating margin.

Office Automation

The Office Automation segment continued to focus on products with reasonable margin. However, the segment suffered from a weak demand in Japan and the PRC and recorded a low level of sales at US\$4.4 million (1Q14: US\$4.5 million) with a marginal operating profit of US\$0.03 million (1Q14: Operating loss of US\$0.3 million) at an operating margin of 0.7% (1Q14: Negative margin of 6.2%).

LCD Parts and Accessories

There was a drop in revenue of LCD Parts and Accessories segment by US\$2.8 million to US\$4.6 million in 1Q15 (1Q14: US\$7.4 million), mainly due to interruption caused by restructuring of production. The segment managed to make an operating profit of US\$0.2 million in 1Q15 (1Q14: US\$0.3 million) at an operating margin of 5.2% (1Q14: 4.6%).

Statement of Financial Position

Total assets and liabilities as at 31 March 2015 stood at US\$107.1 million (31 December 2014: US\$118.9 million) and US\$35.5 million (31 December 2014: US\$48.8 million) respectively.

Total current assets fell by US\$14.0 million over 1Q15 to US\$94.4 million as at 31 March 2015 (31 December 2014: US\$108.4 million). The cash and bank balances decreased by US\$5.7 million as a result of repayment of bank loan and borrowings and the settlement of trade payables in 1Q15. Associated with cyclically lower sales in the first quarter of a year, trade receivables and inventories were substantially reduced by US\$5.2 million and US\$2.6 million respectively. There is no material change in the credit term to customers in general. Other receivables and prepayment mainly represented utility deposits, prepaid expenses and value-added tax recoverable. Included in loan and receivables was the funding to a third party under a secured trade finance arrangement at an interest rate of 1% per month to generate additional interest income. Held for trading investments represented listed equity investments held for trading.

Total non-current assets as at 31 March 2015 stood at US\$12.6 million (31 December 2014: US\$10.5 million). Included in property, plant and equipment was the newly purchased equipment amounting to US\$0.2 million during 1Q15, which was netted off against the depreciation charge of US\$0.5 million for the same period. There was no material change in available-for-sales and held-to-maturity investments and other assets. Investment in associate represented the acquisition of 25% equity interest in Suzhou Pengfu Photoelectric Technology Company Limited ("Pengfu") to secure the stable supply of a critical component known as ultra-thin light guide panel.

Total current liabilities as at 31 March 2015 dropped to US\$30.8 million, representing a decrease of US\$12.4 million over 1Q15 (31 December 2014: US\$43.2 million). During the period under review, the Group had a net settlement to bank loans and other borrowings amounting to US\$1.5 million. In addition, the Group did not enter into any finance lease arrangement.

The trade payables were reduced by US\$9.8 million to US\$13.3 million as at 31 March 2015 over 1Q15 as a result of cyclically lower sales in the first quarter of a year. There was no material change in the credit terms offered by the Group's suppliers. Other payables and accruals, comprising accruals for expenses, wages payables and value added tax payables, decreased by US\$1.6 million to US\$5.2 million over the period under review.

The income tax on profit for 1Q15 was provided and adjusted under tax rules of different jurisdictions. The income tax payable reduced by US\$0.5 million to US\$2.0 million as at 31 March 2015 as a result of income tax arising less the payment of income tax during 1Q15.

Included in the non-current liabilities are retirement benefit obligation for directors in the Group's Japan subsidiary and deferred tax liabilities. The non-current liabilities was down by US\$0.8 million to US\$4.7 million over 1Q15, mainly due to the repayment of the long-term bank borrowings.

Statement of Cash Flows

The Group had net cash used in operating activities amounting to US\$1.7 million for 1Q15 (1Q14: Net cash from operating activities amounting to US\$8.9 million) after accounted for net income tax paid. The increase in net cash used in operating activities was mainly due to the cyclically lower sales in the first quarter of a year and the settlement of payables and accruals in 1Q15.

For investing activities, there was a net cash used in investing activities amounting to US\$2.3 million (1Q14: Net cash from investing activities amounting to US\$1.2 million) as a result of an equity investment into an associated company, namely Pengfu. During 1Q15, the Group purchased property, plant and equipment amounting to US\$0.2 million (1Q14: US\$0.2 million).

Net cash used in financing activities amounted to US\$1.5 million (1Q14: Net cash from financing activities amounting to US\$3.0 million). The net cash used in financing activities mainly included the net repayment of bank loans amounting to US\$1.5 million during 1Q15.

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 financial year ending 31 December 2015 (“FY2015”) will be a year of both challenges and opportunities. Approaching the second quarter ending 30 June 2015 (“2Q15”), the Group experiences adjustments in customer orders as older LCD backlight unit (“BLU”) models reached their end of product lifecycle and newer BLU models started to be introduced. This transition is likely to continue to the second quarter of FY2015 as the Group focuses its efforts to secure the newer BLU models from our customers.

As the shift from gamesets to smartphones continues, the Group will focus on the development of products for smartphones and leverage on the increasing trend for ultra-thin LED-based LCD panels especially for Chinese smartphone makers in the People’s Republic of China (“PRC”). Today, not only are the Chinese smartphone makers catering to the large domestic market for smartphones but they are also increasing their shipments globally. As such, the Group’s recent acquisition of 25% equity interest in Suzhou Pengfu Photoelectric Technology Company Limited (“Pengfu”) is strategic as it not only secures a stable supply of ultra-thin light guide panel for the Group’s production needs but it also enables the Group to leverage on Pengfu’s research and development capability in ultra-thin LED-based LCD panel technology.

The Group’s production facilities in the PRC will continue to face the challenges of persistent high inflation, a strong Renminbi, increasing labour costs and a tightening labour supply. These factors outweigh productivity gains from the deployment of more efficient production equipment and processes. Despite having operations, customers and suppliers in Japan, the persistent weakness of the Japanese Yen has fortunately a small bearing on our business as most of our transactions are denominated in US Dollar.

Business Segment Outlook

The Group’s BLU segment is experiencing a refresh of BLU models as some reach their end of product lifecycle. As such, there will be a slight time lag as newer BLU models are introduced in the next quarter, resulting in a transition period whereby fewer orders of the older BLU models are expected in the quarter and orders for newer BLU models scale up. Notwithstanding the above, the Group is confident that customers’ orders will pick up in the second half of FY2015. In addition, the BLU segment is also bolstered by the contribution from Pengfu.

The LCD parts segment is undergoing a restructuring of production as part of efforts to increase efficiency and minimise costs. Once this is completed, the performance of this segment is expected to stabilise and improve in the second half of the year. The Office Automation segment remains relatively stable as more profitable products are introduced by customers.

The members’ voluntary liquidation of Crystal Display Components (Suzhou) Co., Ltd (“CD Suzhou”), as announced on 7 February 2014, has been completed. The completion of the liquidation will result in a reclassification adjustment of an exchange gain of approximately US\$5 million to the consolidated statement of profit or loss from foreign currency translation reserve, which will be effected in 2Q15.

Managing Risks and Planning Ahead

The Group’s business environment is challenging especially with a large proportion of its business serving the consumer electronics industry. This industry is subject to rapid changes in technology, new and fast product introductions, as well as to global competition. As a precision components and sub-modules manufacturer, the Group operates in a challenging and volatile environment even as its research and development capabilities has played a vital role in securing customers’ orders and retaining them over the years. In terms of the core business, the Group will continue to steadily enhance its product portfolio but this will take some time.

The Group also believes that in order to achieve a higher return on equity in the long term, it will need to make strategic investments so as to allow it to counter-balance the volatility of its current business. These strategic investments, which will be carefully assessed in terms of risk, will cover three broad areas. Firstly, the Group will continue to explore investments that will add value to the core business, like the Pengfu acquisition and introduction of automation into the Group’s assembly operations for example. Secondly, the Group will also look at strategic investments in new businesses that have different business cycles, more stable earnings and growth prospects so as to ultimately diversify and develop a second growth engine for the Group. Lastly, the Group may also engage in financial investments, which will be of a smaller quantum.

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.

Not applicable.

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

	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)	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)
Name of interested person	US\$'000	US\$'000
Mr YOSHIMI Kunikazu - Advisory fee	66	-
Total	66	-

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 three months / first quarter ended 31 March 2015

The Group is organized 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
- iv) Others – Performing other business including general trading and food and beverage business

	LCD backlight units	Office automation	LCD parts and accessories	Others	Eliminations	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>Revenue</u>						
External sales	29,147	4,433	4,584	53	-	38,217
Inter-segment sales	-	773	12	-	(785)	-
Total revenue	29,147	5,206	4,596	53	(785)	38,217
<u>Results</u>						
Segment result	3,389	32	239	(49)		3,611
Share of results of associates	19	-	-	-		19
Unallocated corporate expense						(1,064)
Operating profit						2,566
Interest income						349
Interest expenses						(51)
Profit before income tax						2,864
Income tax expense						(1,287)
Profit after income tax						1,577
<u>Assets</u>						
Segment assets	44,551	14,793	42,794	258	(465)	101,931
Unallocated assets						5,149
Consolidated total assets						107,080
<u>Liabilities</u>						
Segment liabilities	10,159	2,626	5,939	27	(465)	18,286
Bank and other borrowings and obligation under finance leases						13,805
Unallocated liabilities						3,381
Consolidated total liabilities						35,472
<u>Other information</u>						
Capital expenditure	125	41	38	9		213
Depreciation of property, plant and equipment	172	82	236	-		490

Business segment for the three months / first quarter ended 31 March 2014

	LCD backlight units	Office automation	LCD parts and accessories	Others	Eliminations	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue						
External sales	22,905	4,472	7,371	-	-	34,748
Inter-segment sales	-	239	79	-	(318)	-
Total revenue	22,905	4,711	7,450	-	(318)	34,748
Results						
Segment result	2,207	(278)	340	-		2,269
Unallocated corporate expense						(642)
Operating profit						1,627
Interest income						412
Interest expenses						(35)
Profit before income tax						2,004
Income tax expense						(596)
Profit after income tax						1,408
Assets						
Segment assets	41,255	14,979	45,337	-	(740)	100,831
Unallocated assets						4,419
Consolidated total assets						105,250
Liabilities						
Segment liabilities	10,579	3,109	8,421	-	(740)	21,369
Bank and other borrowings and obligation under finance leases						10,276
Unallocated liabilities						3,367
Consolidated total liabilities						35,012
Other information						
Capital expenditure	17	11	147	-		175
Depreciation of property, plant and equipment	148	93	257	-		498

Geographical Segment for the three months / first quarter ended 31 March 2015 and 2014

	Turnover		Non-Current Assets		Capital Expenditure	
	Three months / first quarter ended 31 March		Three months / first quarter ended 31 March		Three months / first quarter ended 31 March	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Hong Kong	6,409	9,172	230	263	35	13
PRC	29,664	22,518	6,536	7,403	84	134
Japan	1,906	2,667	2,217	2,731	94	28
Others	238	391	-	-	-	-
Total	38,217	34,748	8,983	10,397	213	175

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 66.5% of the total revenue for 1Q2015 (1Q2014: 77.4%).

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 mainly in Hong Kong, the PRC and Japan. Revenue in Hong Kong, the PRC and Japan accounted for 16.8%, 77.6% and 5.0% of the total revenue respectively. Total revenue increased by 10.0% to US\$38.2 million for the current quarter as compared to the corresponding period in the previous year.

As at 31 March 2015, non-current assets located in Hong Kong, the PRC and Japan accounted for 2.6%, 72.8% and 24.6% of the total non-current assets of the Group respectively. During this quarter, the Group invested a total capital expenditure of US\$0.2 million for the purchase of equipment in Hong Kong, the PRC and Japan, and it is mainly for replacement purposes.

16. A breakdown of sales

	Three months / first quarter ended 31 March		
	2015 US\$'000	2014 US\$'000	% Increase/ (Decrease)
Sales reported for the first quarter	38,217	34,748	10.0%
Operating profit after income tax for the first quarter	1,577	1,408	12.0%

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 2014	Year ended 31 December 2013
Ordinary dividend		
- Interim	2,374	2,371
- Final	3,324	3,321
Total	5,698	5,692

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 three months / first quarter ended 31 March 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

URANO Koichi
Executive Director
14 May 2015

DY MO Hua Cheung, Philip
Executive Director