

Unaudited First Half Financial Statements And Dividend Announcement for the Six Months / Second Quarter Ended 30 June 2019

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

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the periods ended 30 June 2019

	Note	Three months / second quarter ended 30 June			Six months / half-year ended 30 June		
		2019 US\$'000	2018 US\$'000	% Increase / (Decrease)	2019 US\$'000	2018 US\$'000	% Increase / (Decrease)
Revenue		24,168	22,206	8.8%	45,117	40,556	11.2%
Cost of sales		(19,766)	(17,383)	13.7%	(37,093)	(31,627)	17.3%
Gross profit		4,402	4,823	(8.7%)	8,024	8,929	(10.1%)
Other operating income		94	162	(42.0%)	592	461	28.4%
Distribution expenses		(525)	(395)	32.9%	(897)	(733)	22.4%
Administrative expenses		(4,415)	(4,426)	(0.2%)	(8,928)	(9,273)	(3.7%)
Finance costs		(58)	(59)	(1.7%)	(127)	(112)	13.4%
Share of losses of associates		(264)	(31)	751.6%	(544)	(50)	988.0%
(Loss) / profit before income tax	(1)	(766)	74	(1,135.1%)	(1,880)	(778)	141.6%
Income tax expense		(54)	(342)	(84.2%)	(88)	(442)	(80.1%)
Loss after income tax		(820)	(268)	206.0%	(1,968)	(1,220)	61.3%
Loss attributable to:							
Owners of the Company		(818)	(188)	335.1%	(1,965)	(1,133)	73.4%
Non-controlling interests		(2)	(80)	(97.5%)	(3)	(87)	(96.6%)
		(820)	(268)	206.0%	(1,968)	(1,220)	61.3%

Note (1)

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

	Three months / second quarter ended 30 June		Six months / half-year ended 30 June	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
Depreciation of property, plant and equipment	352	357	696	701
Amortisation of right-of-use assets	279	-	558	-
Interest income	(93)	(149)	(229)	(313)
Net foreign exchange loss / (gain) (Note a)	63	(88)	192	105
Increase / (Decrease) in allowance for inventories	19	36	78	(123)
Change in fair value of derivative financial instruments	-	-	-	(6)
Net gain on disposal of property, plant and equipment	(5)	(12)	(8)	(14)
Interest on borrowings	58	59	127	112

Note a: The foreign currency exchange loss for the six months ended 30 June 2019 comprised mainly unrealised loss net of unrealised gain on translating monetary assets less monetary liabilities in foreign currencies, mainly United States dollars, Renminbi and Japanese yen, to functional currency at each Group entity, and realised loss net of realised gain on payments denominated in foreign currencies other than the functional currency in each Group entity.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the periods ended 30 June 2019

	Three months / second quarter ended 30 June			Six months / half-year ended 30 June		
	2019 US\$'000	2018 US\$'000	% Increase / (Decrease)	2019 US\$'000	2018 US\$'000	% Increase / (Decrease)
Loss for the periods	(820)	(268)	206.0%	(1,968)	(1,220)	61.3%
Other comprehensive income / (expense):						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange difference on translation of foreign operations	11	(1,834)	100.6%	311	(501)	(162.1%)
Release of foreign currency translation reserve upon disposal of a subsidiary	(11)	-	N.M*	(11)	-	N.M*
	-	(1,834)	(100.0%)	300	(501)	(159.9%)
<i>Items that will not be reclassified to profit or loss</i>						
Equity investments designated at fair value through other comprehensive income:						
- Fair value (loss) / gain arising during the periods	(1)	(22)	(95.5%)	4	(56)	(107.1%)
- Income tax effect	-	6	(100.0%)	(2)	18	(111.1%)
	(1)	(16)	(93.8%)	2	(38)	(105.3%)
Other comprehensive (expense) / income for the periods, net of tax	(1)	(1,850)	(99.9%)	302	(539)	(156.0%)
Total comprehensive expense for the periods	(821)	(2,118)	(61.2%)	(1,666)	(1,759)	(5.3%)
Total comprehensive expense attributable to:						
Owners of the Company	(819)	(2,038)	(59.8%)	(1,663)	(1,672)	(0.5%)
Non-controlling interests	(2)	(80)	(97.5%)	(3)	(87)	(96.6%)
	(821)	(2,118)	(61.2%)	(1,666)	(1,759)	(5.3%)

* N.M.: Not meaningful.

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2019

	The Group		The Company	
	As at 30 June 2019 US\$'000	As at 31 December 2018 US\$'000	As at 30 June 2019 US\$'000	As at 31 December 2018 US\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	5,933	5,897	-	-
Right-of-use assets	2,626	-	-	-
Prepayment for the acquisition of intangible asset	863	861	-	-
Investment in subsidiaries	-	-	11,334	11,334
Amount due from a subsidiary	-	-	16,584	16,678
Investment in associates	3,035	3,580	-	-
Equity investments designated at fair value through other comprehensive income	1,515	1,500	-	-
Other assets	250	273	-	-
Deferred tax assets	153	130	-	-
Total non-current assets	14,375	12,241	27,918	28,012
Current assets				
Inventories	9,804	10,247	-	-
Trade receivables	27,749	24,460	-	-
Other receivables and prepayments	4,088	3,896	108	59
Amounts due from associates	434	272	-	-
Loans and receivables, at amortised cost	-	2,200	-	-
Pledged bank deposit (Note b)	148	148	-	-
Cash and bank balances	26,767	35,465	102	119
Total current assets	68,990	76,688	210	178
Total assets	83,365	88,929	28,128	28,190
LIABILITIES AND EQUITY				
Current liabilities				
Income tax payable	102	836	-	-
Bank borrowings	6,150	7,886	-	-
Current portion of obligation under finance leases	29	23	-	-
Current portion of lease liabilities	1,072	-	-	-
Trade payables	15,514	17,161	-	-
Other payables and accruals	3,767	3,986	166	132
Amounts due to an associate	8	39	-	-
Total current liabilities	26,642	29,931	166	132
Non-current liabilities				
Bank borrowings	-	500	-	-
Obligation under finance leases	87	71	-	-
Lease liabilities	1,615	-	-	-
Retirement benefit obligations	371	320	-	-
Deferred tax liabilities	645	626	-	-
Total non-current liabilities	2,718	1,517	-	-
Capital, reserves and non-controlling interests				
Share Capital	10,087	10,087	10,087	10,087
Treasury shares	(3,912)	(3,752)	(3,912)	(3,752)
Retained earnings	27,982	31,296	2,986	2,476
Reserves	19,842	19,841	18,801	19,247
Equity attributable to owners of the Company	53,999	57,472	27,962	28,058
Non-controlling interests	6	9	-	-
Total equity	54,005	57,481	27,962	28,058
Total liabilities and equity	83,365	88,929	28,128	28,190

Note b: As at 30 June 2019, the Group's bank deposit of approximately US\$148,000 (31 December 2018: US\$148,000) was pledged to financial institutions to secure banking facilities granted to the Group.

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

Amount repayable in one year or less, or on demand

	As at 30 June 2019		As at 31 December 2018	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	6,150	-	7,886
Obligation under finance leases	29	-	23	-
Total	29	6,150	23	7,886

Amount repayable after one year

	As at 30 June 2019		As at 31 December 2018	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Bank and other borrowings	-	-	-	500
Obligation under finance leases	87	-	71	-
Total	87	-	71	500

Details of collateral

As at 30 June 2019, the Group's bank deposit of approximately US\$148,000 (31 December 2018: US\$148,000) 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\$114,000 (31 December 2018: US\$92,000) 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 periods ended 30 June 2019				
	The Group			
	Three months / second quarter ended 30 June		Six months / half-year ended 30 June	
	2019	2018	2019	2018
	US\$'000	US\$'000	US\$'000	US\$'000
OPERATING ACTIVITIES				
(Loss) / profit before income tax	(766)	74	(1,880)	(778)
Adjustments for				
Increase / (Decrease) in allowance for inventories	19	36	78	(123)
Depreciation of property, plant and equipment	352	357	696	701
Amortisation of right-of-use assets	279	-	558	-
Interest income	(93)	(149)	(229)	(313)
Finance costs	58	59	127	112
Net gain on disposal of property, plant and equipment	(5)	(12)	(8)	(14)
Retirement benefit obligations	20	8	40	38
Change in fair value of derivative financial instruments	-	-	-	(6)
Gain on disposal of a subsidiary (Note e)	(11)	-	(11)	-
Share of loss of associates	264	31	544	50
Operating cash flows before movements in working capital	117	404	(85)	(333)
Change in working capital:				
Trade receivables, other receivables and prepayments	(708)	(2,309)	(3,402)	3,643
Inventories	(616)	(1,795)	385	(1,068)
Amount due to an associate	(114)	-	(191)	-
Trade payables, other payables and accruals	2,682	5,249	(2,022)	1,609
Cash generated from / (used in) operations	1,361	1,549	(5,315)	3,851
Net income tax paid	(37)	(45)	(833)	(1,383)
Interest paid	(58)	(59)	(127)	(112)
Retirement benefit obligations paid	-	-	-	-
Net cash from / (used in) operating activities	1,266	1,445	(6,275)	2,356
INVESTING ACTIVITIES				
Proceeds from disposal of property, plant and equipment	18	13	21	22
Decrease / (Increase) in other assets	68	86	26	(23)
Additional investment in equity investment designated at fair value through other comprehensive income	(3)	(3)	(6)	(6)
Purchase of property, plant and equipment (Note c)	(459)	(359)	(648)	(1,295)
(Increase) / Decrease in loans and receivables	-	(1,206)	2,200	(992)
Interest income received	93	149	229	313
Acquisition of a subsidiary (Note d)	-	-	-	199
Proceeds from disposal of held for trading investment	-	14	-	14
Net cash (used in) / from investing activities	(283)	(1,306)	1,822	(1,768)
FINANCING ACTIVITIES				
Proceeds from shares issued to non-controlling interests	-	1,390	-	1,390
Payment for the share buyback	(85)	-	(160)	-
Proceeds from bank borrowings	5,981	4,795	8,714	8,852
Repayment of obligation under finance leases	(8)	(17)	(18)	(29)
Repayment of lease liabilities	(305)	-	(556)	-
Repayment of bank borrowings	(4,532)	(4,479)	(10,951)	(9,136)
Dividend paid	(1,591)	(1,608)	(1,591)	(1,608)
Net cash (used in) / from financing activities	(540)	81	(4,562)	(531)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	443	220	(9,015)	57
NET EFFECT OF CURRENCY TRANSLATION DIFFERENCES	104	(1,589)	317	(422)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	26,220	44,776	35,465	43,772
CASH AND CASH EQUIVALENTS AT END OF PERIOD	26,767	43,407	26,767	43,407

Note c: During the six months ended 30 June 2019, the Group acquired property, plant and equipment with aggregate cost of US\$684,000 (six months ended 30 June 2018: US\$1,340,000) of which US\$36,000 (Six months ended 30 June 2018: US\$45,000) was acquired by means of finance lease. Cash payment of US\$648,000 (Six months ended 30 June 2018: US\$1,295,000) was made to purchase property, plant and equipment. In addition, certain property, plant and equipment were refinanced by finance leases amounting to US\$4,000 (six months ended 30 June 2018: Nil).

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

	The Group	
	Six months / half year ended 30 June	
	2019 US\$'000	2018 US\$'000
The assets and liabilities of a subsidiary acquired during the periods are as follows:		
Non-current assets	-	37
Current assets	-	325
Current liabilities	-	(351)
Net assets acquired:	-	11
Minority interests	-	(1)
Total cost of acquisition	-	10
Net cash inflow arising on acquisition		
Cash and cash equivalents acquired	-	325
Cash consideration paid	-	(126)
Cash flow on acquisition, net of cash and cash equivalents acquired	-	199

Note e: Gain on disposal of a subsidiary

	The Group	
	Six months / half year ended 30 June	
	2019 US\$'000	2018 US\$'000
The assets and liabilities of a subsidiary disposed during the periods are as follows:		
Current assets	-	-
Current liabilities	-	-
	-	-
Cash consideration received	-	-
Less: Net assets disposed of	-	-
Realisation of foreign currency translation reserve	11	-
Gain on disposal	11	-
Net cash outflow arising on disposal		
Cash and cash equivalents disposed of	-	-
Cash consideration received	-	-
Cash flow on disposal, net of cash and cash equivalents disposed of	-	-

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 2019	10,087	18,994	(193)	(3,752)	446	(7,020)	3,806	318	1,187	101	2,202	31,296	57,472	9	57,481
Effect of adoption of International Financial Reporting Standard 16	-	-	-	-	-	-	-	-	-	-	-	(59)	(59)	-	(59)
Total comprehensive income / (expense) for the period	-	-	-	-	-	-	-	-	-	3	300	(1,147)	(844)	(1)	(845)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(75)	-	-	-	-	-	-	-	-	(75)	-	(75)
Balance as at 31 March 2019	10,087	18,994	(193)	(3,827)	446	(7,020)	3,806	318	1,187	104	2,502	30,090	56,494	8	56,502
Total comprehensive expense for the period	-	-	-	-	-	-	-	-	-	(1)	-	(818)	(819)	(2)	(821)
Transfer upon lapse of share options	-	-	-	-	(446)	-	-	-	-	-	-	446	-	-	-
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(85)	-	-	-	-	-	-	-	-	(85)	-	(85)
Transfer to statutory reserve fund	-	-	-	-	-	-	145	-	-	-	-	(145)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(1,591)	(1,591)	-	(1,591)
Balance as at 30 June 2019	10,087	18,994	(193)	(3,912)	-	(7,020)	3,951	318	1,187	103	2,502	27,982	53,999	6	54,005

	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 2018	10,087	18,994	(193)	(3,431)	481	(7,020)	6,015	330	1,199	69	4,682	29,695	60,908	9	60,917
Effect of adoption of International Financial Reporting Standard 9	-	-	-	-	-	-	-	-	-	448	-	331	779	-	779
Balance as at 1 January 2018 (restated)	10,087	18,994	(193)	(3,431)	481	(7,020)	6,015	330	1,199	517	4,682	30,026	61,687	9	61,696
Total comprehensive (expense) / income for the period	-	-	-	-	-	-	-	-	-	(22)	1,333	(945)	366	(7)	359
Transfer upon lapse of share options	-	-	-	-	(35)	-	-	-	-	-	-	35	-	-	-
Balance as at 31 March 2018	10,087	18,994	(193)	(3,431)	446	(7,020)	6,015	330	1,199	495	6,015	29,116	62,053	2	62,055
Total comprehensive expense for the period	-	-	-	-	-	-	-	-	-	(16)	(1,834)	(188)	(2,038)	(80)	(2,118)
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(3)	-	-	-	-	-	-	-	-	(3)	-	(3)
Shares issued to non-controlling interests	-	-	-	-	-	-	-	-	623	-	-	-	623	768	1,391
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(1,608)	(1,608)	-	(1,608)
Balance as at 30 June 2018	10,087	18,994	(193)	(3,434)	446	(7,020)	6,015	330	1,822	479	4,181	27,320	59,027	690	59,717

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

	Share capital	Share premium of the Company	Share capital reserve	Treasury shares	Employee share option reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2019	10,087	18,994	(193)	(3,752)	446	2,476	28,058
Total comprehensive expense for the period	-	-	-	-	-	(55)	(55)
Shares purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(75)	-	-	(75)
Balance as at 31 March 2019	10,087	18,994	(193)	(3,827)	446	2,421	27,928
Total comprehensive income for the period	-	-	-	-	-	1,710	1,710
Transfer upon lapse of share options	-	-	-	-	(446)	446	-
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(85)	-	-	(85)
Dividend paid	-	-	-	-	-	(1,591)	(1,591)
Balance as at 30 June 2019	10,087	18,994	(193)	(3,912)	-	2,986	27,962

	Share Capital	Share premium of the Company	Share capital reserve	Treasury shares	Employee share option reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2018	10,087	18,994	(193)	(3,431)	481	2,157	28,095
Total comprehensive expense for the period	-	-	-	-	-	(83)	(83)
Transfer upon lapse of share options	-	-	-	-	(35)	35	-
Balance as at 31 March 2018	10,087	18,994	(193)	(3,431)	446	2,109	28,012
Total comprehensive income for the period	-	-	-	-	-	1,776	1,776
Share purchased under Share Purchase Mandate and held as treasury shares	-	-	-	(3)	-	-	(3)
Dividend paid	-	-	-	-	-	(1,608)	(1,608)
Balance as at 30 June 2018	10,087	18,994	(193)	(3,434)	446	2,277	28,177

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

Share Capital

As at 31 December 2018, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 227,814,308 ordinary shares (excluding treasury shares), and 24,362,802 ordinary shares held as treasury shares.

During the first quarter ended 31 March 2019, the Company purchased 571,400 ordinary shares under the Share Purchase Mandate and held them as treasury shares. As at 31 March 2019, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 227,242,908 ordinary shares (excluding treasury shares) and 24,934,202 ordinary shares held as treasury shares.

During the second quarter ended 30 June 2019, the Company purchased 641,800 ordinary shares under the Shares Purchase Mandate and held them as treasury shares. As at 30 June 2019, the Company's issued and fully paid up share capital was US\$10,087,084 represented by 226,601,108 ordinary shares (excluding treasury shares) and 25,576,002 ordinary shares held as treasury shares.

Treasury shares

	The Company			
	2019		2018	
	Number of shares	US\$'000	Number of shares	US\$'000
Balance as at 1 January	24,362,802	3,752	22,532,202	3,431
Ordinary Shares purchased during the first quarter	571,400	75	-	-
Ordinary Shares purchased during the second quarter	641,800	85	20,000	3
Balance as at 30 June	<u>25,576,002</u>	<u>3,912</u>	<u>22,552,202</u>	<u>3,434</u>

Share Options

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

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

During the first quarter ended 31 March 2019 and the second quarter ended 30 June 2019, no share option was exercised. 6,250,000 unexercised share options were lapsed and cancelled on 29 May 2019 at the expiry of the share options. As at 30 June 2019, there was no outstanding share options (31 December 2018: 6,250,000 share options with exercise price at S\$0.216).

Subsidiary Holdings

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

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

	The Company	
	As at 30 June 2019	As at 31 December 2018
Issued shares	252,177,110	252,177,110
Less: Treasury shares	(25,576,002)	(24,362,802)
Total number of issued shares excluding treasury shares	<u>226,601,108</u>	<u>227,814,308</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 first quarter ended 31 March 2019 and the second quarter ended 30 June 2019, there were no sales, transfers, disposal and / or use of treasury shares except for the purchase of 1,213,200 ordinary shares under the Share Purchase Mandate and held as treasury shares. As at 30 June 2019, there were 25,576,002 (31 December 2018: 24,362,802) ordinary shares held as treasury shares.

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

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

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

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

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

Not applicable.

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the most recently audited annual financial statements for the year ended 31 December 2018 except for the adoption of the revised International Financial Reporting Standards which came into effect this financial year from 1 January 2019. The adoption of these revised accounting policies did not give rise to any significant change to the financial statements.

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

The Group has adopted the new or revised International Financial Reporting Standards ("IFRS") which came into effect this financial year from 1 January 2019.

IFRS 16 Leases requires lessees to recognise most leases on statement of financial position. The standard includes two recognition exemptions for lessees – leases of "low value" assets and short-term leases. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. The impact from adoption of IFRS 16 is mainly derived from the leases of factories and offices. At commencement date of a lease, a lessee will recognise a liability to make a lease payment (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group has adopted IFRS 16 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening retained profits at the date of initial application, 1 January 2019.

On the adoption of IFRS 16, the Group chose, on a lease-by-lease basis, to measure the right-of-use asset at either:

- (i) its carrying amount as if IFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as of 1 January 2019; or
- (ii) an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2019.

On the adoption of IFRS 16, the Group recognized right-of-use assets of US\$1,843,000 and lease liabilities of US\$1,902,000 for its leases previously classified as operating leases, with a corresponding decrease in the operation retained profits of US\$59,000 and its related tax impact as at 1 January 2019.

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.

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

	Three months / second quarter ended 30 June		Six months / half-year ended 30 June	
	2019	2018	2019	2018
Based on weighted average number of ordinary shares in issue (US cents)				
- Basic	(0.36)	(0.08)	(0.86)	(0.49)
- Fully diluted (Note f)	-	(0.08)	-	(0.49)
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (Note g)	227,143,963	229,644,249	227,265,255	229,644,577
Effect of dilutive share options	-	409,162	-	553,465
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share	227,143,963	230,053,411	227,265,255	230,198,042

Note f: Diluted effect on earnings per share referred to share options granted to the participants under the Company's Employee Share Option Scheme 2013 remained outstanding as at 29 May 2019. There was no diluted effect on the earnings per share as the average market price of ordinary shares during the six months ended 30 June 2019 was below the exercise price for the granted options and the share options were lapsed.

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

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

	30 June 2019	31 December 2018
Net asset value per ordinary share, excluding treasury shares (US cents)		
- The Group	23.83	25.23
- The Company	12.34	12.32

The calculation of the net asset value per ordinary share was based on total number of 226,601,108 (31 December 2018: 227,814,308) ordinary shares (excluding treasury shares).

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

STATEMENT OF PROFIT AND LOSS

In the first six months of the financial year 2019 (“1H19”), the Group saw a rise in revenue by US\$4.5 million to US\$45.1 million as compared to the revenue of US\$40.6 million in the previous corresponding six months (“1H18”). The Group’s gross profit for 1H19 decreased by US\$0.9 million to US\$8.0 million from US\$8.9 million in 1H18. As a result of the overall lower utilisation rate and higher material costs for the production of larger sized LCD backlight units, the gross profit margin of the Group decreased to 17.8% in 1H19, as compared to 22.0% in 1H18.

Other operating income for 1H19 increased by US\$0.1 million to US\$0.6 million (1H18: US\$0.5 million). This amount mainly comprised interest income earned and the government compensation arising from the compulsory closure of the food and beverage operation in Shanghai, The People’s Republic of China. In the area of expenses in 1H19, distribution expenses increased by US\$0.2 million to US\$0.9 million (1H18: US\$0.7 million) while administrative expenses decreased by US\$0.4 million to US\$8.9 million (1H18: US\$9.3 million). The increase in distribution expenses was mainly attributable to the increase in packing materials. The decrease in administrative expenses was attributable to the cost control of salary-related expenses and rental expenses. Finance costs remained low for the period under review as the Group continues to strictly uphold its low gearing policy.

The Group’s associated company, which is still in its development phase, incurred a loss in 1H19 and the Group’s share of the operating loss was US\$0.5 million accordingly.

Income tax expense for 1H19 decreased by US\$0.3 million to US\$0.1 million as compared to US\$0.4 million for 1H18. This was mainly due to tax credits from the loss-making subsidiaries not being able to fully mitigate the income tax payable from the profit-making subsidiaries even though the Group incurred an overall loss before income tax.

In 1H19, the Group recorded a loss before income tax of US\$1.9 million (1H18: US\$0.8 million) and registered a loss after income tax of US\$2.0 million (1H18: US\$1.2 million).

LCD Backlight Units

In 1H19, revenue from the LCD Backlight Units segment increased by US\$8.1 million to US\$24.5 million (1H18: US\$16.4 million). The increase in revenue was due to the higher selling price of larger sized LCD backlight units that are being used in more premium vehicles and ultrathin notebook computers. The material costs for these larger sized LCD backlight units accounted for a higher percentage of the total costs, however as production volumes have not reached a level where this segment can make a profit, as such, there was an operating loss of US\$0.3 million in 1H19 (1H18: profit of US\$0.3 million).

In terms of sales volume, the total number of units sold for the segment amounted to 3.0 million units (1H18: 4.2 million units). Approximately 0.2 million units were sold for handsets (1H18: 0.1 million units) and another 2.8 million units were sold for gamesets and in-vehicle displays (1H18: 4.1 million units). This was an increase of 100% and a decrease of 34.1% respectively.

Office Automation

The revenue from the Office Automation segment dropped by US\$1.6 million to US\$11.2 million in 1H19 as compared to US\$12.8 million in 1H18. The segment correspondingly recorded an operating profit of US\$0.3 million in 1H19 as compared to operating profit of US\$0.9 million in 1H18. The operating margin for this segment decreased from 7.0% in 1H18 to 2.7% for 1H19. The drop in sales and the operating margin was due to loss of customer orders in Japan.

LCD Parts and Accessories

The sales for the LCD Parts and Accessories segment decreased by US\$2.0 million from US\$10.8 million in 1H18 to US\$8.8 million in 1H19. The segment booked an operating profit of US\$0.2 million for 1H19 as compared to US\$0.8 million in 1H18. The operating margin for this segment decreased from 7.2% in 1H18 to 1.3% for 1H19. The drop in sales and the operating margin was attributable to some products being phased out.

Other Segment

The other segment mainly includes the food and beverage business as well as the life science business. Revenue of US\$0.9 million was generated in this segment for the period under review (1H18: US\$0.6 million). As the Life Science division is on its initial development stage, there was operating loss of US\$0.2 million for 1H19 (1H18: US\$1.1 million).

STATEMENT OF FINANCIAL POSITION

As at 30 June 2019, the Group's total assets and liabilities stood at US\$83.4 million and US\$29.4 million respectively, as compared to US\$88.9 million and US\$31.4 million as at 31 December 2018.

Current assets dropped to US\$69.0 million as at 30 June 2019 as compared to US\$76.7 million as at 31 December 2018. Cash and bank balances decreased by US\$8.7 million to US\$26.8 as at 30 June 2019 as compared to US\$35.5 million as at 31 December 2018. Apart from the settlement of bank borrowings as explained in the statement of cash flow below, the drop in cash level was mainly due to the financing of a longer credit term to the Group's key customer and the purchase of raw materials for larger sized LCD backlight units. Associated with the rise in revenue, trade receivables increased from US\$24.5 million as at 31 December 2018 to US\$27.7 million as at 30 June 2019. Except for the longer credit term of 120 days offered to the Group's key customer, there was no material change in the credit term of 60 days to 90 days offered to customers in general.

Other receivables and prepayments of US\$4.1 million (31 December 2018: US\$3.9 million) mainly represented utility deposits, prepaid expenses, value added tax recoverable, sales tax prepaid and other receivable of US\$2.1 million being the sales proceeds for the disposal of interest in a subsidiary.

The non-current assets of the Group stood at US\$14.4 million for 1H19. Also included in property, plant and equipment amounting to US\$5.9 million as at 30 June 2019 (31 December 2018: US\$5.9 million) was leasehold improvement and newly purchased equipment of US\$0.7 million, which was netted off against the depreciation charge of US\$0.7 million. The equity investments designated at fair value through other comprehensive income included the equity investment in a Korean company, which offered the Group the manufacturing and distribution rights for its products, and listed shares in Japan. Prepayment for the acquisition of the intangible asset represented an advance payment for the application of research results related to life science products and their related patents.

Upon the implementation of International Financial Reporting Standard 16 Leases as explained in paragraph 5 above, right-of-use assets of US\$1.8 million was recognised as at 1 January 2019. During the period under review, additional right-of-use assets of US\$1.3 million were recognised and the amortisation of these right-of-use assets amounting to US\$0.5 million was charged to profit or loss. Investment in associates mainly represented the Group's investment in A Biotech Co., Limited, which is a company incorporated in Korea that has incurred losses as it is still in the development phase.

Total liabilities as at 30 June 2019 was down to US\$29.4 million, representing a decrease of US\$2.0 million over 1H19 (31 December 2018: US\$31.4 million). As explained in the statement of cash flows, the Group redrew bank borrowings amounting to US\$8.7 million while settling bank borrowings amounting to US\$10.9 million with a net settlement of US\$2.3 million during 1H19. Total outstanding bank borrowings was US\$6.2 million as at 30 June 2019 (31 December 2018: US\$8.4 million).

In relation to the right-of-use assets as mentioned above, there were lease liabilities of US\$2.7 million in which US\$1.1 million payable within a year and classified under current liabilities as at 30 June 2019 (31 December 2018: Nil).

The trade payables were reduced by US\$1.7 million over 1H19 to US\$15.5 million as at 30 June 2019 (31 December 2018: US\$17.2 million). There was no material change in the credit terms offered by the Group's suppliers and the settlement was done in accordance with the agreed credit terms.

The income tax on profit for 1H19 was provided and adjusted under tax rules for different jurisdictions. The income tax charge net of payment for the period under review had reduced the income tax payable by US\$0.7 million to US\$0.1 million (31 December 2018: US\$0.8 million).

Included in the non-current liabilities were retirement benefit obligations for directors in the Group's subsidiaries in Japan and deferred tax liabilities related to the withholding tax on dividends from the subsidiaries to immediate holding company and the tax effects of temporary differences between the carrying amounts of an asset or liability and its tax base.

STATEMENT OF CASH FLOWS

The Group had net cash used in operating activities amounting to US\$6.3 million for the current period under review as compared to net cash generated from operating activities amounting to US\$2.4 million in the corresponding period in the previous year. As explained above, the net cash used in operating activities were mainly due to an increase in the working capital for production of larger sized LCD backlight units, in which the Group faced costlier raw materials as well as a longer credit term demanded by the key customer. During 1H19, the Group paid income tax amounting to US\$0.8 million (1H18: US\$1.4 million).

For investing activities, there was a net cash inflow of US\$1.8 million (1H18: net cash outflow of US\$1.8 million) over the period under review, mainly attributable to the receipt of loan repayment from a customer amounting to US\$2.2 million. In addition, there was purchase of property, plant and equipment amounting to US\$0.6 million (1H18: US\$1.3 million).

For financing activities, there was a net cash outflow of US\$4.6 million over 1H19 (1H18: US\$0.5 million). The financing activities mainly included the net repayment of bank borrowings amounting to US\$2.2 million during 1H19 (1H18: US\$0.3 million) so as to reduce the Group's finance costs in the expectation of rising interest rate. During 1H19, the Group bought back its own shares worth of US\$0.2 million (1H18: Nil) in the open market and also paid the final dividend of US\$1.6 million for FY18 (1H18: final dividend of US\$1.6 million for FY17). In respect of right-of-use assets, the Group made a repayment of lease liabilities amounting to US\$0.6 million (1H18: Nil).

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

Not applicable.

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

Business Environment

The business environment in which the Group's core business operates in is increasingly challenging due to price competition and short product life cycles. In addition, the Group's result is also affected by the escalating US-China trade tensions and the performance of the Group's key customer. The aforementioned key customer is a well-known office equipment provider and key industry player for office equipment and liquid crystal display panels for high-end smartphones, in-vehicle information displays and notebook computers.

Despite these factors, the Group has continuously been working with its customers to develop new products, growing other businesses like life sciences in order to diversify, and exploring alternative manufacturing locations to mitigate the ongoing US-China trade tensions.

Business Segment Outlook

For the period under review, the Group has continued to receive orders for larger sized LCD backlight units that are used in ultrathin notebook computers and more premium vehicles. Although these larger sized LCD backlight units which adopt new generation light guide panel technology command a higher selling price per unit, they also have a higher cost of production due to higher raw material costs. This means a lower gross margin per unit. In addition, coupled with a longer credit term offered to the Group's key customer as requested, a higher working capital requirements for the Group is anticipated to finance the increase in inventory and accounts receivable for the coming quarters.

For the larger sized LCD backlight units for ultrathin notebook computers, the Group has received orders but is seeing a capacity constraint for light guide panels from its sole supplier. It is currently working with the supplier to increase capacity so that the Group can meet the demand from its key customer. The size of LCD backlight units for new models of in-vehicle displays are also larger but they have a different light guide panel supplier. The Group expects more orders to come in for the second half of FY2019.

The Office Automation segment continues to be stable for the period under review and the Group continues to see orders for parts for new models of office automation and mobile phones in the coming quarters. Whilst the LCD Parts and Accessories segment continues to see orders for parts for ultrathin notebook computers for the period under review, the OEM business for mobile payment machines has started to face stiffer price competition from other PRC suppliers to our customer. The Group will continue to explore other types of mobile payment machines with new customers and continue to expand its portfolio of products for both its Office Automation and LCD Parts and Accessories segments.

In its Life Sciences business, the Group continues to market its synthetic antibodies library to relevant biotech and pharmaceutical companies for their research and development purposes with the aim of creating alternative treatments for diseases. The research and development work for the next generation of antibody library is progressing and is targeted to reach the patent application phase in the latter part of 2019. The Group also continues to work with Meisterbio Co., Limited to explore opportunities to leverage on intellectual property rights which were acquired from Meisterbio Co. Limited together with sales and distribution rights in Japan, Korea, and other Asian markets.

Managing Risks and Looking Forward

The Group continues its efforts to improve its competitiveness and operating efficiency, notwithstanding its challenging operating environment. It will continue to deploy more efficient equipment and methods and consolidate and restructure its operations where necessary. In order to mitigate the risk of US tariffs on all products made in the PRC which will adversely affect the Group's performance, the Group will be establishing a new factory in the Philippines to benefit from the proximity to its customers who also have factories there. The lease agreement of this new factory has been signed and the renovation will start soon. It is on track to begin operations in late 2019.

Although the Group envisages an improving operating result with increasing orders in the second half of this year, it is still too early to warrant a profitable operating result for the full year. The Group continues to remain cautious for FY2019 due to the challenging operating environment it operates in and the tumultuous global economic environment.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share	0.4 US cents per ordinary share
Tax Rate	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	Final
Dividend Type	Cash
Dividend Amount per Share	0.4 US cents per ordinary share
Tax Rate	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.

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

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

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

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

	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		
- Payment of advisory fee	65	-
A Biotech Co., Limited		
- Provision of services under Joint Research and Development and Assistance Agreement	164	-
- Provision of services under Memorandum for Management Support	34	-
- Supply of consumables	10	-
Total	273	-

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3, Q4 or Half Year Results)

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

CDW Holding Limited

Business segment for the six months / half-year ended 30 June 2019

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 and of payment devices
- iv) Others – Other businesses including general trading and food and beverage business and life sciences

	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	24,484	11,172	8,768	693	-	45,117
Inter-segment sales	-	130	-	-	(130)	-
Total revenue	24,484	11,302	8,768	693	(130)	45,117
<u>Results</u>						
Segment result	(308)	298	201	(212)	-	(21)
Unallocated corporate expense						(1,428)
Operating loss						(1,449)
Interest income						229
Finance costs						(127)
Share of loss of an associate						(544)
Gain on disposal of a subsidiary						11
Loss before income tax						(1,880)
Income tax expense						(88)
Loss after income tax						(1,968)
<u>Assets</u>						
Segment assets	38,318	19,154	17,967	1,729	(62)	77,106
Unallocated assets						6,259
Consolidated total assets						83,365
<u>Liabilities</u>						
Segment liabilities	10,611	5,054	3,259	253	(62)	19,115
Bank borrowings, obligation under finance leases and lease liabilities						8,953
Unallocated liabilities						1,292
Consolidated total liabilities						29,360
<u>Other information</u>						
Capital expenditure	88	443	124	29		684
Right-of-use assets	32	343	909	54		1,338
Depreciation of property, plant and equipment	326	181	182	7		696
Amortisation of right-of-use assets	190	141	186	41		558
Increase/(Decrease) in allowance for inventories	35	50	37	(44)		78

Business segment for the six months / half-year ended 30 June 2018

	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	16,404	12,834	10,765	553	-	40,556
Inter-segment sales	-	138	-	-	(138)	-
Total revenue	16,404	12,972	10,765	553	(138)	40,556
<u>Results</u>						
Segment result	287	899	772	(1,121)		837
Unallocated corporate expense						(1,777)
Operating loss						(940)
Interest income						313
Finance costs						(112)
Share of loss of an associate						(50)
Loss before income tax						(789)
Income tax expense						(431)
Loss after income tax						(1,220)
<u>Assets</u>						
Segment assets	32,240	21,514	24,769	6,017	(63)	84,477
Unallocated assets						2,875
Consolidated total assets						87,352
<u>Liabilities</u>						
Segment liabilities	6,489	5,386	5,221	749	(63)	17,782
Bank borrowings and obligation under finance leases						9,499
Unallocated liabilities						1,133
Consolidated total liabilities						28,414
<u>Other information</u>						
Capital expenditure	348	261	399	332		1,340
Depreciation of property, plant and equipment	258	199	227	17		701

Geographical Segment for the six months / half-year ended 30 June 2019 and 2018

	Turnover		Non-Current Assets		Capital Expenditure	
	Six months / half-year ended 30 June		Six months / half-year ended 30 June		Six months / half-year ended 30 June	
	2019 US\$'000	2018 US\$'000	2019 US\$'000	2018 US\$'000	2019 US\$'000	2018 US\$'000
Hong Kong	7,385	8,343	451	625	13	434
PRC	31,060	25,197	5,822	4,524	565	522
Japan	6,454	6,451	2,494	2,193	106	131
Others	218	565	-	355	-	253
Total	45,117	40,556	8,767	7,697	684	1,340

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 45.4% of the total revenue for the six months ended 30 June 2019 (Six months ended 30 June 2018: 46.8%).

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

Please refer to paragraph 8 for the factors leading to any material changes in contribution to revenue and earnings by business segments. In terms of geographical segments, the Group was generating revenue mainly in Hong Kong, the PRC and Japan. Revenue in Hong Kong, the PRC and Japan accounted for 16.4%, 68.8% and 14.3% of the total revenue respectively. Total revenue increased by 11.2% to US\$45.1 million for the six months ended 30 June 2019 as compared to the corresponding period in the previous year.

As at 30 June 2019, non-current assets located in Hong Kong, the PRC and Japan accounted for 5.1%, 66.4% and 28.5% of the total non-current assets of the Group respectively. During the six months ended 30 June 2019, the Group invested a total capital expenditure of US\$0.7 million for the purchase of equipment in Hong Kong, the PRC and Japan, and it was mainly for the purposes of replacement and new business.

17. A breakdown of sales

	Six months / half-year ended 30 June		
	2019 US\$'000	2018 US\$'000	% Increase / (Decrease)
Sales reported for the first quarter	20,949	18,350	14.2%
Sales reported for the second quarter	24,168	22,206	8.8%
Operating loss after income tax for the first quarter	(1,148)	(952)	20.6%
Operating loss after income tax for the second quarter	(820)	(268)	206.0%

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

Annual Dividend (in US\$'000)	Year ended 31 December 2018	Year ended 31 December 2017
Ordinary dividend		
- Interim	911	1,149
- Final	1,591	1,608
Total	2,502	2,757

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

We, Yoshikawa Makoto 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 six months / second quarter ended 30 June 2019 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

YOSHIKAWA Makoto
Chairman and Chief Executive Officer

DY MO Hua Cheung, Philip
Executive Director

14 August 2019