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## **CW GROUP HOLDINGS LIMITED**

**創達科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1322)**

### **VOLUNTARY ANNOUNCEMENT FORMATION OF STRATEGIC JOINT VENTURE**

This is a voluntary announcement made by CW Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 6 September 2017 (after trading hours), CW Group Pte. Ltd., an indirect wholly-owned subsidiary of the Company, and Fair Friend Group (“**FFG**”), a company registered in Taiwan, have mutually agreed to enter into a joint venture agreement (the “**JV Agreement**”) in relation to the formation of a strategic joint venture company (“**FFG-CW**”) in Singapore.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, FFG and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

#### **DETAILS AND PURPOSES OF FFG-CW**

Under this strategic cooperation, FFG-CW will represent the full product range of industrial machine tools brands under FFG’s machine tools division to provide marketing and sales coverage in the Southeast Asia and India regions, excluding those brands currently under the sole or exclusive dealerships or representations of FFG in these regions.

Leveraging on the existing sales and marketing network of the Group and its working partners, FFG-CW will focus on key industries including aerospace, automotive, medical and contract manufacturing industries in these regions.

#### **REASONS FOR AND BENEFITS OF THE FORMATION OF FFG-CW**

The Board believes that the strategic cooperation with FFG will enable the Group to further strengthen its business footprint in the Southeast Asia and India regions. This valuable opportunity to represent and market the full range of machine tools products under the brands of FFG will broaden the Group’s customer base and increase market penetration, which is beneficial to the future growth and business development of the Group.

With India's rapidly growing economy and its government's initiative to develop its capabilities in the high-end manufacturing sector, our Group is seeing greater demand for sophisticated Computer Numeric Control ("CNC") machines in this region. With the enhanced product offering, the Group is confident that FFG-CW would be able to make significant inroads into the Indian market for CNC machines in the near term.

The Group is confident that the strategic partnership with FFG is in the interests of the Company and its shareholders as a whole and will offer a good opportunity for the Group to diversify its business portfolio and seek new revenue streams in the long run.

## **INFORMATION OF THE GROUP**

The Group is principally engaged in the provision of precision engineering solutions and machine tool manufacturing and distribution under the following five business segments, namely, (i) the provision of precision engineering solutions, (ii) the sale of CNC machining centres, (iii) the sale of components and parts, (iv) the provision of comprehensive maintenance and after-sales technical support services, and (v) the provision of renewable energy solutions. The Group's team of engineers and project managers accumulated experience in line transfer projects from assisting multi-national corporations with a number of line transfer projects over the years.

## **INFORMATION OF FFG**

Founded in 1979, Fair Friend Group (FFG) is a leading machine engineering company based in Taipei City, Taiwan. The group comprised three major divisions, namely, Machine Tool Division, Industry Equipment Division, and Green Energy Division. Other than factories and brands in Taiwan and China, they also have a wide presence worldwide including the USA, Europe, Japan and Korea with a total of 53 brands and 80 operational bases globally. Their products range from CNC machine tools, forklifts, parking garage equipment, to testing equipment for semiconductor and light-emitting diode wafers. FFG serves customers from the aerospace, automobile, molding industries, as well as international universities.

The Board shall use its best endeavors to procure the relevant parties to formalize and effect the JV Agreement, and will publish a further announcement if so required under Chapter 14 of the Listing Rules.

By Order of the Board  
**CW Group Holdings Limited**  
**Wong Koon Lup**  
*Chairman and Chief Executive Officer*

Hong Kong, 6 September 2017

*As at the date of this announcement, the executive Directors of the Company are Mr. WONG Koon Lup, Mr. WONG Mun Sum and Mr. LEE Tiang Soon; the non-executive Director is Mr. Zhang Bing Cheng and the independent non-executive Directors of the Company are Mr. KUAN Cheng Tuck, Mr. ONG Su Aun, Jeffrey (alias Mr. WANG Ci'An, Jeffrey) and Mr. LIU Ji.*