

CIRCULAR DATED 3 APRIL 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold all your ordinary shares in the capital of CDW Holding Limited (the “**Company**”), you should immediately hand this Circular and the enclosed Proxy Form to the purchaser or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser.

Your attention is drawn to page 22 of this Circular in respect of actions to be taken if you wish to attend and vote at the Special General Meeting.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



CDW HOLDING LIMITED

(Incorporated in Bermuda on 2 April 2004)
(Bermuda Company Registration Number: 35127)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY; AND**
- (2) THE PROPOSED RENEWAL OF THE SHARES PURCHASE MANDATE**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	26 April 2009 at 3.15 p.m.
Date and time of Special General Meeting	:	28 April 2009 at 3.15 p.m. (or immediately following the conclusion or adjournment of the 2009 Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place)
Place of Special General Meeting	:	Carlton Hotel Singapore Level 4, Esplanade Room 1 Bras Basah Road Singapore 189558

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DEFINITIONS

For the purpose of this Circular, the following definitions have, where appropriate, been used:

“Bermuda Companies Act”	:	The Companies Act 1981 of Bermuda (as amended)
“Board”	:	The board of the Directors of the Company
“Bye-laws”	:	The bye-laws of the Company
“CDP”	:	The Central Depository (Pte) Limited
“CEO”	:	Chief Executive Officer
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“Companies Amendment Act”	:	The Companies Amendment Act 2006 of Bermuda
“Company” or “CDW”	:	CDW Holding Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the SGX-ST
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company; or (b) in fact exercises control over a company
“Council”	:	The Securities Industry Council
“Directors”	:	Directors of the Company as at the date of this Circular
“EPS”	:	Earnings per Share
“Executive Directors”	:	The executive directors of the Company
“FY”	:	Financial year ended or ending 31 December
“Group”	:	The Company and its Subsidiaries
“Hong Kong” or “HK”	:	The Hong Kong Special Administrative Region of The PRC
“Independent Directors”	:	The Independent Directors of the Company
“Latest Practicable Date”	:	31 March 2009, being the latest practicable date prior to the submission of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities

“Market Purchase”	:	On-market acquisitions of Shares on the SGX-ST through the Central Limit Order Book trading system during the Relevant Period. For the purposes of this definition, a market acquisition means an on-market purchase transacted on SGX-ST through the Central Limit Order Book trading system
“Maximum Price”	:	The maximum price at which the Shares can be purchased pursuant to the Shares Purchase Mandate, which shall: <ul style="list-style-type: none"> (a) in the case of a Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded before the day on which such purchase is made and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period; and (b) in the case of an Off-Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of offer by the Company and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period
“Memorandum of Association”	:	The Memorandum of Association of the Company
“Month”	:	Calendar month
“NTA”	:	Net tangible assets
“Off-Market Purchase”	:	Off-market acquisitions of Shares undertaken by the Company during the Relevant Period on an equal access scheme as defined in Section 76C of the Companies Act, and a “Off-Market Purchase” shall be construed accordingly
“Offeree Shareholders”	:	Shareholders holding Shares at the time of an offer of Shares Purchase, and an “Offeree Shareholder” shall be construed accordingly
“Relevant Period”	:	The period commencing from the date the Shares Purchase Mandate is conferred by the Company in general meeting at the SGM and expiring on the earlier of the date the next annual general meeting of the Company is held or is required by law to be held, or the date the said mandate is revoked or varied by the Company in general meeting
“Required Price”	:	In relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 of the Take-over Code which is the highest price paid by the offerors and/or person(s) acting in concert with them for the Company’s Shares (i) during the offer period and within the preceding six (6) months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six (6) months of the offer and during the offer period, or (iii)

acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six (6) months of the offer or during the offer period; or at such price as determined by the Council under Rule 14.3 of the Take-over Code

“Securities and Futures Act”	:	Securities and Futures Act (Chapter 289) of Singapore
“SGM”	:	Special General Meeting, notice of which is given on page 36 of this Circular
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered shareholders of the Shares
“Shares”	:	Shares of US\$0.02 each in the capital of the Company
“Shares Purchase Mandate”	:	The mandate to authorise the Directors to make Shares Purchases within the Relevant Period, or within any one financial year of the Company, whichever is earlier, of up to ten per cent. (10%) of the issued ordinary share capital of the Company (ascertained as at the date of the last annual general meeting of the Company or the date of the SGM, whichever is the higher) at the price of up to but not exceeding the Maximum Price, in accordance with the “Guidelines on Shares Purchases” set out in Appendix 2 of this Circular and the rules of the SGX-ST
“Shares Purchases”	:	Off-Market Purchases or Market Purchases undertaken by the Company during the Relevant Period and, a “Shares Purchase” shall be construed accordingly
“Subsidiaries”	:	The subsidiaries of a company (as defined in Section 5 of the Companies Act) and “Subsidiary” shall be construed accordingly
“Substantial Shareholders”	:	A person who has an interest in not less than 5% of the total votes attached to all the voting shares of a company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
“S\$”	:	Singapore dollars
“US\$” or “US cents”	:	US dollars and cents respectively
“%” or “per cent”	:	Per centum or percentage

The expressions “our”, “ourselves”, “us”, “we” or other grammatical variations thereof shall, unless otherwise stated, mean our Company and our subsidiaries.

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively by Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Securities and Futures Act, the Companies Act, or any statutory modifications thereof and used in this Appendix, where applicable, shall have the meaning assigned to it under the Securities and Futures Act, the Companies Act or statutory modifications as the case may be.

Any reference to a time of day in this Appendix will be a reference to Singapore time, unless otherwise stated.

CDW HOLDING LIMITED

(Incorporated in Bermuda)
(Bermuda Company Registration Number: 35127)

Directors:-

Mr Kunikazu YOSHIMI (Chairman and CEO)
Mr Koichi URANO (Executive Director)
Mr Akihiro KIYOTA (Executive Director)
Mr LAI Shi Hong, Edward (Executive Director)
Mr DYMO Hua Cheung, Philip (Executive Director)
Mr HO Yew Mun (Independent Director)
Mr NG Wai Kee (Independent Director)
Mr WONG Chak Weng (Independent Director)
Mr WONG Yik Chung, John (Independent Director)

Registered Office:-

Canon's Court
22 Victoria Court
Hamilton HM12
Bermuda

3 April 2009

To: The Shareholders and Depositors of CDW Holding Limited.

- (1) **THE PROPOSED AMENDMENTS TO THE COMPANY'S BYE-LAWS; AND**
- (2) **THE PROPOSED RENEWAL OF THE SHARES PURCHASE MANDATE**

Dear Shareholder

1. INTRODUCTION

The purpose of this Circular is to provide Shareholders and Depositors with the relevant information pertaining to, and to seek Shareholders' approval at the SGM to be held on 28 April 2009 for the following:-

- (1) proposed amendments to the Company's bye-laws; and
- (2) proposed renewal of the Shares Purchase Mandate.

The notice of the SGM is set out on page 36 of this Circular.

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Circular.

2. THE PROPOSED AMENDMENTS TO THE COMPANY'S BYE-LAWS

2.1 Background

The Companies Amendment Act, which came into operation on 29 December 2006, introduced new provisions on treasury shares. Under Section 42B of the Bermuda Companies Act, *inter alia*, a Bermuda Company may, if authorised by its memorandum of association or bye-laws, acquire its own shares to be held as treasury shares, for cash or other consideration.

Neither the Company's memorandum of association nor the Bye-laws authorise the Company to hold Shares which it has acquired as treasury shares. The Board therefore proposes to amend the Bye-laws to reflect the above amendments introduced by the Companies Amendment Act so as to enable the Company to acquire its own shares and hold these shares as treasury shares.

Further, under the existing Bye-law 192(B), each substantial Shareholder of the Company is obliged to, *inter alia*, give the secretary of the Company a notice in writing of the particulars of the change in his interests in the Company, within two days after the date of such change in interests.

Under the existing Bye-law 192(B), a substantial Shareholder is obliged to notify the secretary of the Company of any change in his interest in the Company. The Board proposes to amend Bye-law 192(B) such that a substantial Shareholder is only obliged to notify the secretary of the Company of a change in his interest in the Company, in accordance with Bye-law 192(B), only if there is a change in the percentage level of the interest/s of such substantial Shareholder in the Company. This amendment will bring the obligation of substantial Shareholders to notify the Company's secretary of changes in their interests in the Company in line with the requirement of Section 83 of the Companies Act.

2.2 The Proposed Amendments to the Company's Bye-laws

The proposed amendments to the Company's bye-laws and the reasons therefor, are set out below.

2.2.1 Bye-law 1(A)

Bye-law 1(A) is the definition section of the Bye-laws, and is proposed to be amended to include the definition of "treasury shares".

2.2.2 Bye-law 7

Bye-law 7 provides, *inter alia*, that the Company may authorise the Directors in general meeting to purchase or otherwise acquire Shares issued by it. It is proposed that consequential amendments be made to Bye-law 7(B) to provide for the holding of any purchased or acquired shares as treasury shares following the introduction of the concept of treasury shares pursuant to the Companies Amendment Act.

2.2.3 Bye-law 12

It is proposed that Bye-law 12(D) be inserted to provide that any Shares held by the Company as treasury shares shall be at the disposal of the Board and may be held, disposed of or transferred for cash or other consideration or cancelled.

2.2.4 Bye-law 192(B)

Bye-law 192(B) provides, *inter alia*, that each substantial Shareholder of the Company is obliged to give the secretary of the Company a notice in writing of the particulars of the change in his interests in the Company, within two days after the date of such change in interests. It is proposed that amendments be made to Bye-law 192(B) such that a substantial Shareholder of the Company is only obliged to notify the secretary of the Company of a change in his interest in the Company, in accordance with Bye-law 192(B), only if there is a change in the percentage level of the interest/s of such substantial Shareholder in the Company.

2.3 Text of Bye-laws to be amended. The text of the Bye-laws which are proposed to be amended are set out in Appendix 1 of this Circular.

3. THE PROPOSED RENEWAL OF THE SHARES PURCHASE MANDATE

3.1 The Shares Purchase Mandate

3.1.1 At the SGM held on 22 May 2008, Shareholders had approved, *inter alia*, the adoption of the Shares Purchase Mandate to enable the Company to purchase or otherwise acquire its issued Shares.

- 3.1.2 The previous Shares Purchase Mandate authorised the Directors to make Shares Purchases from time to time within the Relevant Period, or within any one financial year of the Company, whichever is earlier, of up to ten per cent. (10%) of the issued Shares of the Company (ascertained as at the date of the last annual general meeting of the Company) at the price of up to but not exceeding the Maximum Price, which shall:
- (a) in the case of a Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded before the day on which such purchase is made and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period; and
 - (b) in the case of an Off-Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of offer by the Company and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period.
- 3.1.3 The authority conferred on the Directors by the previous Shares Purchase Mandate is going to expire on the forthcoming 2009 Annual General Meeting which is to be held on 28 April 2009. Accordingly, the Directors are convening a SGM to be held on 28 April 2009 at 3.15 p.m. or as soon as practicable immediately thereafter following the conclusion or adjournment of the 2009 Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place, to seek the approval of the Shareholders for the renewal of the Shares Purchase Mandate on the same terms as the previous Shares Purchase Mandate.
- 3.1.4 Any purchase of Shares by the Company will have to be made in accordance with, and in the manner prescribed by, the Bermuda Companies Act and such other laws and regulations as may for the time being be applicable. As the Company is listed on the SGX-ST, it is also required to comply with Part XIII of Chapter 8 of the Listing Manual, which relates to the purchase or acquisition of issued ordinary shares in the capital of a company which is listed on the SGX-ST. The "Guidelines on Shares Purchases" are set out in Appendix 2 of this Circular.
- 3.1.5 As at the Latest Practicable Date, the Company has 504,354,221 Shares and the exercise in full of the Shares Purchase Mandate would result in the purchase of up to 50,435,000 Shares. The Company may purchase Shares by way of Off-Market Purchases and/or Market Purchases. In the event that subsequent to the SGM, there are new rules, regulations, directives or laws enacted or promulgated by the relevant competent authorities including but not limited to the SGX-ST and the Council (hereinafter, collectively referred to as the "**Further Rules**") that augment, supplement or vary the existing provisions governing provisions set out in the Bermuda Companies Act and/or the Listing Manual, the Company shall, to the extent that the Further Rules impact on the Shares Purchase Mandate, disseminate to the public by announcement(s), a memorandum setting out such Further Rules and the extent to which the Shares Purchase Mandate is affected by such Further Rules. In such an event, the Company shall not undertake any purchase of Shares until such a memorandum has been publicly disseminated.

3.2 Rationale for the Shares Purchase Mandate

- 3.2.1 Short term speculation may at times cause the market price of the Shares to be depressed below the true value of the Company and the Group. The proposed Shares Purchase Mandate will provide the Directors with the means to restore investors' confidence and to protect existing Shareholders' investments in the Company in a depressed share-price situation through judicious Shares Purchases to enhance the earnings per Share and/or the net asset value per Share. The Shares Purchases will enhance the net asset value per Share if the Shares Purchases are made at a price below the net asset value per Share.

- 3.2.2 The proposed Shares Purchase Mandate will also provide the Company with an expedient and cost-effective mechanism to facilitate the return of surplus cash reserves to the Shareholders, as and when the Directors are of the view that this would be in the best interests of the Company and the Shareholders.

The Directors will only make a Shares Purchase as and when the circumstances permit and only if the Directors are of the view that such purchases are in the best interests of the Company and the Shareholders.

3.3 Source of funds

- 3.3.1 Under the Bermuda Companies Act, a purchase of shares may only be funded out of the capital paid up on the shares to be purchased, or out of the funds of the company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of shares made for the purpose of the purchase, and the premium payable on the purchase (i.e. the amount paid in excess of the nominal value of the shares to be purchased) must be provided for out of the funds of the company which would otherwise be available for dividend or distribution, or out of the company's share premium account before the shares are purchased.

- 3.3.2 The Company will use internal resources and/or external borrowings to finance Shares Purchases. It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the Shares Purchase Mandate on the net asset value and earnings per Share as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase prices paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases.

3.4 Status of purchased Shares under the Shares Purchase Mandate

A Share purchased or acquired by the Company is deemed cancelled immediately and the relative certificates for the Share shall be cancelled and destroyed on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Where Shares are cancelled but not held as treasury shares, the issued share capital of the Company shall be diminished by the nominal value of the Shares purchased or acquired by the Company. No reduction is made to the Company's authorised capital. Under the Bermuda Companies Act, in order for the Company to hold Shares as treasury shares, either its Memorandum of Association or its Bye-laws must permit the Company to acquire and hold shares as treasury shares. Upon the Shareholders' approval of the proposed amendments to the Bye-laws, as stated in Section 2 of the Circular, the Company will be able to acquire and hold shares as treasury shares.

3.5 Treasury Shares

Under the Bermuda Companies Act, Shares purchased or acquired by the Company may be held as treasury shares. Some of the provisions on treasury shares under the Bermuda Companies Act are summarised below:

3.5.1 Maximum holdings

The company may not acquire its own shares to be held as treasury shares if, as a result of the acquisition, all of the company's issued shares, other than the shares to be held as treasury shares, would be non-voting shares.

3.5.2 Voting and other rights

The company cannot exercise any right in respect of treasury shares. In particular, the company cannot exercise any right to attend or vote at meetings of the company.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distributions of assets to members on a winding up) may be made, to the company in respect of treasury shares. However, the making of an allotment of shares as fully paid bonus shares in respect of treasury shares is allowed and any such bonus shares shall be treated for the purposes of the Bermuda Companies Act as if they had been acquired by the company at the time they were allotted.

3.5.3 Disposal and cancellation

Where shares are held as treasury shares, the company may, *inter alia*, at any time:

- (a) dispose of or transfer all or any of the shares for cash or other consideration; or
- (b) cancel all or any of the shares.

3.5.4 Solvency

No acquisition by a company of its own shares to be held as treasury shares may be effected if, on the date on which the acquisition is to be effective there are reasonable grounds for believing the company is, or after the acquisition, would be, unable to pay its liabilities as they become due.

3.6 Financial and other impact

The financial effects on the Company and the Group arising from purchases or acquisition of Shares which may be made pursuant to the Shares Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2008, are based on the following principal assumptions:

- (a) the acquisition of Shares pursuant to the Shares Purchase Mandate had taken place on 1 January 2008 for the purpose of computing the financial effects on the EPS of the Group;
- (b) the acquisition of Shares pursuant to the Shares Purchase Mandate had taken place on 1 January 2008 for the purpose of computing the financial effects on the shareholders' equity, NTA per share and gearing of the Group and the Company; and
- (c) transaction costs incurred for the acquisition of Shares pursuant to the Shares Purchase Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects.

3.6.1 Purchase or acquisition out of capital or profits

Under the Bermuda Companies Act, purchases or acquisitions of Shares by the Company shall be made in accordance with the requirements thereof and no purchase or acquisition by the Company of its own shares may be effected if, on the date on which the purchase or acquisition is effected, there are reasonable grounds for believing that the Company is, or after the purchase or acquisition would be, unable to pay its liabilities as they become due.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

3.6.2 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued capital of the Company is US\$10,087,084 comprising 504,354,221 Shares. No Shares are reserved for issue by the Company as at the Latest Practicable Date.

3.6.3 Financial effects

For illustrative purposes only, and on the basis of the assumptions set out below, the financial effects of the:

- (a) acquisition of Shares by the Company pursuant to the Shares Purchase Mandate by way of purchases made entirely out of capital of the Company and held as treasury shares;
- (b) acquisition of Shares by the Company pursuant to the Shares Purchase Mandate by way of purchases made entirely out of capital of the Company and cancelled;
- (c) acquisition of Shares by the Company pursuant to the Shares Purchase Mandate by way of purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as treasury shares; and
- (d) acquisition of Shares by the Company pursuant to the Shares Purchase Mandate by way of purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 31 December 2008 are set out below.

(i) **Purchases made entirely out of capital and held as treasury shares**

Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 is as follows:

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
<u>As at 31 December 2008</u>				
Share Capital	10,110	10,110	10,110	10,110
Share Premium	19,009	19,009	19,009	19,009
Retained Earnings	17,724	17,711	669	669
Shareholders' equity	55,189	53,351	29,963	28,138
Net tangible assets (NTA) ⁽¹⁾	53,673	51,835	29,963	28,138

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
Current Assets	70,539	68,701	1,587	1,587
Current Liabilities	42,474	42,474	175	175
Working Capital	28,065	26,227	1,412	1,412
Total Liabilities	45,693	45,693	175	175
Number of Shares ('000) ⁽²⁾	505,505	455,070	505,505	455,070
Financial Ratios				
NTA Per Share, US cents ⁽³⁾	10.62	11.39	5.93	6.18
Basic EPS, US cents ⁽⁴⁾	0.0239	0.0237	N/A	N/A
Gearing ⁽⁵⁾	0.24	0.25	N/A	N/A
Current ratio ⁽⁶⁾	1.66	1.62	9.07	9.07

Notes:

- (1) NTA equals Shareholders' equity less intangible assets.
- (2) Number of Shares outstanding excludes treasury shares held by the Company since treasury shares are not entitled to any dividends and any right to attend or vote at meetings of the Company as stated in Section 3.5.2.
- (3) NTA Per Share equals to net tangible assets divided by the number of shares outstanding as at 31 December 2008.
- (4) Basic EPS equals to profit attributable to shareholders divided by the weighted average number of shares outstanding during the year ended 31 December 2008 before and after Shares Purchase.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by Shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008, as stated above under the section entitled "Purchases made entirely out of capital and held as treasury shares".

(ii) Purchases made entirely out of capital and cancelled

The cancellation of any Shares pursuant to a Shares Purchase will reduce the issued share capital of the Company by the nominal value of the Shares purchased and the share premium account will be reduced by an amount being the consideration for the purchase of the Shares less the aggregate nominal value of such Shares. No reduction is made to the Company's authorised share capital. The NTA of the Company and the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 is as follows:

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
<u>As at 31 December 2008</u>				
Share Capital	10,110	9,101	10,110	9,101
Share Premium	19,009	18,193	19,009	18,193
Retained Earnings	17,724	17,711	669	669
Shareholders' equity	55,189	53,351	29,963	28,138
Net tangible assets (NTA) ⁽¹⁾	53,673	51,835	29,963	28,138
Current Assets	70,539	68,701	1,587	1,587
Current Liabilities	42,474	42,474	175	175
Working Capital	28,065	26,227	1,412	1,412
Total Liabilities	45,693	45,693	175	175
Number of Shares ('000)	505,505	455,070	505,505	455,070
Financial Ratios				
NTA Per Share, US cents ⁽²⁾	10.62	11.39	5.93	6.18
Basic EPS, US cents ⁽³⁾	0.0239	0.0237	N/A	N/A
Gearing ⁽⁴⁾	0.24	0.25	N/A	N/A
Current ratio ⁽⁵⁾	1.66	1.62	9.07	9.07

Notes:

- (1) NTA equals Shareholders' equity less intangible assets.
- (2) NTA Per Share equals to net tangible assets divided by the number of shares outstanding as at 31 December 2008.
- (3) Basic EPS equals to profit attributable to shareholders divided by the weighted average number of shares outstanding during the year ended 31 December 2008 before and after Shares Purchase.
- (4) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by Shareholders' equity.
- (5) Current ratio equals current assets divided by current liabilities.

Off-Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008, as stated above under the section entitled "Purchases made entirely out of capital and cancelled".

(iii) *Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as treasury shares*

Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 is as follows:

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
<u>As at 31 December 2008</u>				
Share Capital	10,110	10,110	10,110	10,110
Share Premium	19,009	19,009	19,009	19,009
Retained Earnings	17,724	17,711	669	669
Shareholders' equity	55,189	53,351	29,963	28,138
Net tangible assets (NTA) ⁽¹⁾	53,673	51,835	29,963	28,138
Current Assets	70,539	68,701	1,587	1,587
Current Liabilities	42,474	42,474	175	175
Working Capital	28,065	26,227	1,412	1,412
Total Liabilities	45,693	45,693	175	175
Number of Shares ('000) ⁽²⁾	505,505	455,070	505,505	455,070
Financial Ratios				
NTA Per Share, US cents ⁽³⁾	10.62	11.39	5.93	6.18
Basic EPS, US cents ⁽⁴⁾	0.0239	0.0237	N/A	N/A
Gearing ⁽⁵⁾	0.24	0.25	N/A	N/A
Current ratio ⁽⁶⁾	1.66	1.62	9.07	9.07

Notes:

- (1) NTA equals Shareholders' equity less intangible assets.
- (2) Number of Shares outstanding excludes treasury shares held by the Company since treasury shares are not entitled to any dividends and any right to attend or vote at meetings of the Company as stated in Section 3.5.2.
- (3) NTA Per Share equals to net tangible assets divided by the number of shares outstanding as at 31 December 2008.
- (4) Basic EPS equals to profit attributable to shareholders divided by the weighted average number of shares outstanding during the year ended 31 December 2008 before and after Shares Purchase.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by Shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008, as stated above under the section entitled "Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as treasury shares".

(iv) Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled

The cancellation of any Shares pursuant to a Shares Purchase will reduce the issued share capital of the Company by the nominal value of the Shares purchased. The retained earnings of the Company will be reduced by an amount being the consideration for the purchase of the Shares less the aggregate nominal value of such Shares. Any deficit in the Company's retained earnings as a consequence of this reduction will be removed by the declaration of dividends by the Subsidiaries to the Company. No reduction is made to the Company's authorised share capital. The NTA of the Company and the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Shares Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 is as follows:

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
<u>As at 31 December 2008</u>				
Share Capital	10,110	9,101	10,110	9,101
Share Premium	19,009	19,009	19,009	19,009
Retained Earnings	17,724	16,895	669	(147)
Shareholders' equity	55,189	53,351	29,963	28,138
Net tangible assets (NTA) ⁽¹⁾	53,673	51,835	29,963	28,138
Current Assets	70,539	68,701	1,587	1,587
Current Liabilities	42,474	42,474	175	175
Working Capital	28,065	26,227	1,412	1,412
Total Liabilities	45,693	45,693	175	175
Number of Shares ('000)	505,505	455,070	505,505	455,070

	← Group →		← Company →	
	Before Shares Purchase US\$'000	After Shares Purchase US\$'000	Before Shares Purchase US\$'000	After Shares Purchase US\$'000
Financial Ratios				
NTA Per Share, US cents ⁽²⁾	10.62	11.39	5.93	6.18
Basic EPS, US cents ⁽³⁾	0.0239	0.0237	N/A	N/A
Gearing ⁽⁴⁾	0.24	0.25	N/A	N/A
Current ratio ⁽⁵⁾	1.66	1.62	9.07	9.07

Notes:

- (1) NTA equals Shareholders' equity less intangible assets.
- (2) NTA Per Share equals to net tangible assets divided by the number of shares outstanding as at 31 December 2008.
- (3) Basic EPS equals to profit attributable to shareholders divided by the weighted average number of shares outstanding during the year ended 31 December 2008 before and after Shares Purchase.
- (4) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by Shareholders' equity.
- (5) Current ratio equals current assets divided by current liabilities.

Off-Market Purchase

For illustrative purposes only, in a Shares Purchase, assuming that the Maximum Price is S\$0.055 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 50,435,000 Shares (representing approximately ten per cent. (10%) of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the Shares Purchase Mandate, is approximately S\$2,774,000 (equivalent to approximately US\$1,825,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Shares Purchase Mandate on the Company's and the Group's audited financial statements for the financial year ended 31 December 2008, as stated above under the section entitled "Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled".

- 3.6.4 As at 31 December 2008, the Group and the Company had cash balances and fixed deposits of US\$29,877,000 and US\$1,295,000 respectively. In order to effect a purchase of up to 50,435,000 Shares at the Maximum Price computed at the Latest Practicable Date, whether by way of Market Purchase or Off-Market Purchase, cash reserves by the Company of approximately US\$1,825,000 will be required.
- 3.6.5 For purposes of this illustration, it is assumed that the Company demands the repayment of approximately US\$1,825,000 from its related corporations to finance purchases of its Shares. The Company may, however, when making Shares Purchases pursuant to the Shares Purchase Mandate, whether by way of Market Purchase or Off-Market Purchase, use internal resources and/or external borrowings to finance the purchases.

- 3.6.6 As illustrated above, the purchase of Shares will have the effect of reducing the working capital and the NTA of the Company and/or the Group by the dollar value of the Shares purchased and interest income foregone as mentioned in Section 3.6.7 below. The consolidated NTA per Share as at 31 December 2008 will increase from 10.62 US cents to 11.39 US cents as a result of the reduction in the number of issued Shares after the Shares Purchases.
- 3.6.7 Assuming that the Shares Purchase had taken place on 1 January 2008, whether by way of Market Purchase or Off-Market Purchase, the consolidated basic EPS of the Group for the financial year ended 31 December 2008 would be decreased from the profit of 0.0239 US cents per Share to the profit of 0.0237 US cents per Share as a result of the reduction in the number of issued Shares, after taking into account interest income foregone (based on an interest rate of 0.7% per annum, being the prevailing savings interest rate for Singapore dollars in Singapore). The Company's non-current assets will decrease from US\$28,551,000 to US\$ 26,726,000 as it is assumed that the Company demands the repayment from its related corporations to finance the purchases of its Shares while its current assets and current liabilities will remain unchanged after the purchase at the Maximum Price in a Market Purchase. The Group's current assets will decrease from US\$70,539,000 to US\$68,701,000 after the Shares Purchases.
- 3.6.8 As the Shares Purchase will reduce the cash reserves of the Group, there will be a corresponding reduction in the current assets and the Shareholders' equity of the Group. The current ratios of the Group and the Company will decline. The actual impact on the current ratios will depend on the number of Shares purchased and the prices at which the Shares were purchased.
- 3.6.9 Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on historical audited financial year 2008 numbers, and is not necessarily representative of future financial performance.**
- 3.6.10 The Company will take into account both financial factors (for example, cash surplus, debt position and working capital requirement) and non-financial factors (for example, share market conditions and the performance of the shares) in assessing the relative impact of a Shares Purchase before execution.
- 3.6.11 Shares Purchases by the Company pursuant to the Shares Purchase Mandate will only be made in circumstances where it is considered to be in the best interests of the Company. It should be noted that Shares Purchases pursuant to the Shares Purchase Mandate may not be carried out to the full ten per cent. (10%) as mandated. Further, the Directors do not propose to exercise the Shares Purchase Mandate to such an extent as would have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

3.7 Tax implications

Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

3.8 Take-over consequences

3.8.1 Requirement to make General Offer

Under Appendix 2 of the Take-over Code, an increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a Shares Purchase by the Company will be treated as an acquisition for the purpose of Rule 14 of the Take-over Code. Rule 14.1 of the Take-over Code requires, *inter alia*, that, except with the consent of the Council, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of a company; or

- (b) any person who, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent. (1%) of the voting rights,

such person shall extend immediately an offer on the basis set out below to the holders of any class of share capital which carries votes and in which such person or persons acting in concert with him hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

The offer required to be made under the provisions of Rule 14.1 of the Take-over Code shall, in respect of each class of share capital involved, be in cash or be accompanied by a cash alternative at the Required Price.

3.8.2 Application of the Take-Over Code

As at the Latest Practicable Date, the Directors' and Substantial Shareholders' shareholding interests in the Company are as follows:

Name	Direct Interest		Deemed Interest		Options to subscribe for new Shares
	Number of Shares	%	Number of Shares	%	
<u>Directors</u>					
Mr Kunikazu YOSHIMI (Mr Yoshimi) ⁽¹⁾	18,405,221	3.65	239,680,000	47.52	–
Mr Koichi URANO	710,000	0.14	–	–	1,952,000
Mr Akihiro KIYOTA	200,000	0.04	–	–	1,952,000
Mr LAI Shi Hong, Edward	200,000	0.04	–	–	1,464,000
Mr DYMO Hua Cheung, Philip	400,000	0.08	–	–	1,952,000
Mr HO Yew Mun	–	–	–	–	–
Mr NG Wai Kee	–	–	–	–	–
Mr WONG Chak Weng	–	–	–	–	–
Mr WONG Yik Chung, John	100,000	0.02	–	–	–
<u>Substantial Shareholders (As recorded in the Register of Substantial Shareholders)</u>					
Mikuni Co., Limited ("Mikuni")	239,680,000	47.52	–	–	–
The China Fund, Inc.	60,000,000	11.90	–	–	–

Note (1): Mr Yoshimi is deemed interested in the Shares held by Mikuni by virtue of his shareholdings in Mikuni.

Mr Yoshimi, our Director, owns the entire issued and paid-up share capital of Mikuni. Based on the shareholding of Mikuni and Mr Yoshimi above, as at the Latest Practicable Date, they collectively own more than fifty per cent. (50%) of the voting rights of the Company. In the event the Company undertake Shares Purchases of up to ten per cent. (10%) of the issued share capital of the Company as permitted by the Shares Purchase Mandate, Mikuni and Mr Yoshimi are not required under the Take-over Code to make a mandatory offer.

Based on the respective individual shareholdings of our Directors, Mr Koichi Urano, Mr Akihiro Kiyota, Mr Lai Shi Hong, Edward, Mr Dymo Hua Cheung, Philip and Mr Wong Yik Chung, John, and our Substantial Shareholder, The China Fund, Inc., above, in the event that the Company undertakes Shares Purchases of up to ten per cent. (10%) of the issued share capital of the Company as permitted by the Shares Purchase Mandate, none of the resultant shareholdings of our Directors and Substantial Shareholders will increase to thirty per cent. (30%) or more. Accordingly, no mandatory offer is required to be made pursuant to the Take-over Code.

The Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obligated to make a mandatory offer in the event that the Directors exercise the power to make Shares Purchases pursuant to the Shares Purchase Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of Shares Purchases by the Company are advised to consult their professional advisers and/or the Council and/or other relevant authorities at the earliest opportunity.

3.8.3 Shares bought by the Company in the previous twelve (12) months

The Company purchased 2,051,000 Shares in the twelve (12) months preceding the Latest Practicable Date. Details of such purchases of Shares are set out below:

SNo.	Date of purchase	Total number of Shares purchased and cancelled	Price paid per Share S\$	Total consideration (including stamp duties, clearing charges, etc) paid for the Shares S\$
1	5 December 2008	200,000	0.050	10,034.00
2	9 December 2008	200,000	0.050	10,034.00
3	11 December 2008	100,000	0.050	5,017.00
4	15 December 2008	100,000	0.050	5,017.00
5	18 December 2008	100,000	0.050	5,017.00
6	26 December 2008	100,000	0.050	5,017.00
7	30 December 2008	100,000	0.050	5,017.00
8	9 January 2009	100,000	0.050	5,017.00
9	14 January 2009	100,000	0.050	5,017.00
10	15 January 2009	100,000	0.050	5,017.00
11	22 January 2009	100,000	0.050	5,017.00
12	23 January 2009	726,000	0.050	36,423.42
13	16 March 2009	25,000	0.045	1,140.45

3.9 Listing status of the Company's securities

3.9.1 The Directors will ensure that the Shares Purchases will not have any effect on the listing of the Company's securities including the Shares listed on the SGX-ST. Clause 723 of the Listing Manual requires at least ten per cent. (10%) of any class of a company's listed securities to be held by the public at all times. The Directors shall safeguard the interests of public Shareholders (as defined in the Listing Manual) before undertaking any Shares Purchases. Before exercising the Shares Purchase Mandate, the Directors shall at all times take due cognisance of (a) the then shareholding spread of the Company in respect of the number of Shares held by Substantial Shareholders and by non-Substantial Shareholders and (b) the volume of trading on the SGX-ST in respect of the Shares immediately before the exercise of any Shares Purchase.

3.9.2 As at the Latest Practicable Date, 181,806,000 shares (36.05%) of a total of 504,354,221 Shares issued by the Company are held by the public. The Company is of the view that there is sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake Shares Purchases of up to ten per cent. (10%) of its issued ordinary share capital

within the Relevant Period, or within any one financial year of the Company, whichever is earlier, without affecting the listing status of the Shares on the SGX-ST. The Company will ensure that notwithstanding the Shares Purchases, a sufficient float in the hands of the public will be maintained in order not to cause market illiquidity or affect orderly trade.

4. LIMITS ON SHAREHOLDINGS

The Company does not have any limits on the shareholding of any Shareholder.

5. SPECIAL GENERAL MEETING

The SGM, notice of which is set out on page 36 of this Circular, will be held at Carlton Hotel Singapore, Level 4, Esplanade Room 1, 76 Bras Basah Road, Singapore 189558 on 28 April 2009 at 3.15 p.m. (or immediately following the conclusion or adjournment of the 2009 Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) to be held for the purpose of considering and, if thought fit, passing, with or without modification the resolutions set out in the Notice of SGM on page 36 of this Circular.

6. ACTION TO BE TAKEN BY SHAREHOLDERS AND DEPOSITORS

Shareholders who are unable to attend the SGM and who wish to appoint a proxy to attend and vote on their behalf are requested to complete, sign and return the relevant Proxy Form dispatched to Shareholders together with this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Company's Singapore Share Transfer agent, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub Singapore 049483 not later than 48 hours before the time fixed for the SGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the meeting if he wishes to do so.

Under the Bermuda Companies Act, only a person whose name is entered in the register of members of a Bermuda company may have rights to attend and vote at general meetings of such company. Accordingly, under Bermuda laws, a Depositor holding Shares through the CDP would not be recognised as a shareholder of the Company, and would not have the right to attend and vote at general meetings convened by the Company. Pursuant to Bye-law 85(B)(iv) of the Bye-laws of the Company, unless the CDP specifies otherwise in a written notice to the Company, the CDP shall be deemed to have appointed as the CDP's proxies to vote on behalf of the CDP at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the CDP (as at a time not earlier than 48 hours prior to the time of the general meeting) supplied by the CDP to the Company. In addition, such appointment of proxies shall not require an instrument of proxy or the lodgement of any instrument of proxy.

Accordingly, Depositors (other than Depositors which are corporations) whose names are listed in the Depository Register as at 48 hours before the time of the SGM may attend and vote at the SGM.

A Depositor which is a corporation and which wishes to attend and vote at the SGM must complete and return the enclosed Depositor Proxy Form, for the nomination of person(s) to attend and vote at the SGM on behalf of CDP. Depositors who wish to nominate an alternative person(s) to attend and vote at the SGM on behalf of CDP must also complete and return the enclosed Depositor Proxy Form.

To be valid, the enclosed Proxy Form or Depositor Proxy Form (as the case may be) must be signed and returned, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach one of the places specified in the Proxy Form or Depositor Proxy Form (as the case may be) not less than 48 hours before the time for holding the SGM. The completion and return of the Proxy Form or Depositor Proxy Form (as the case may be) by a Depositor (other than a Depositor which is a corporation) will not prevent him from attending and voting in person at the SGM as a proxy of CDP if he subsequently wishes to do so.

7. DIRECTORS' RECOMMENDATION

7.1 The proposed amendments to the Company's Bye-Laws

The Directors are of the opinion that the adoption of the proposed amendments to the Company's bye-laws is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 1, being the Special Resolution relating to the proposed amendments to the Company's Bye-laws.

7.2 The proposed renewal of the Shares Purchase Mandate

The Directors are of the opinion that the renewal of the Shares Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 2, being the Ordinary Resolution relating to the proposed Shares Purchase Mandate.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects and that there are no material facts the omission of which would make any statement in this Circular misleading and that this Circular constitutes full and true disclosure of all material facts about the Company.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Singapore Share Transfer Agent of the Company, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub Singapore 049483 during normal business hours from the date of this Circular up to and including the date of the SGM:

- (a) the bye-laws of the Company; and
- (b) the audited financial statements of the Company for the financial year ended 31 December 2008.

Yours faithfully
For and on behalf of the Board of Directors of
CDW HOLDING LIMITED

Dymo Hua Cheung, Philip
Executive Director

THE PROPOSED AMENDMENTS TO THE COMPANY'S BYE-LAWS

The amendments which are proposed to be made to the Bye-laws are set out below. For ease of reference and where appropriate, the full text of the Bye-laws proposed to be altered has also been reproduced and the principal additions are bold and the deletions are indicated with strikethroughs.

1. Bye-law 1(A)

Existing Bye-law 1(A)

1. (A) The marginal notes to these Bye-Laws shall not be deemed to be part of these Bye-Laws and shall not affect their interpretation and, in the interpretation of these Bye-Laws, unless there be something in the subject or context inconsistent therewith:

“appointed newspaper” shall have the meaning as defined in the Companies Act;

“Auditors” shall mean the persons for the time being performing the duties of that office;

“Bermuda” shall mean the Islands of Bermuda;

“the Board” shall mean the board of directors of the Company as constituted from time to time or (as the context may require) the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

“these Bye-Laws” or “these presents” shall mean these Bye-Laws in their present form and all supplementary, amended or substituted Bye-Laws for the time being in force;

“call” shall include any instalment of a call;

“capital” shall mean the share capital from time to time of the Company;

“clear days”, in relation to a notice and/or a meeting shall mean a period of days exclusive of the day on which it is served or deemed to be served and of the day for which it is given or scheduled to occur;

“the Chairman” shall mean the Chairman presiding at any meeting of shareholders or of the Board;

“the Companies Act” shall mean the Companies Act 1981 of Bermuda as may from time to time be amended;

“the Company” or “this Company” shall mean CDW Holding Limited which was incorporated in Bermuda on the 2 April 2004;

“corporate representative” shall mean any person appointed to act in that capacity pursuant to Bye-law 86;

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“depositor”, “Depository” and “Depository Register” shall have meanings ascribed to them respectively in the Singapore Companies Act;

“Designated Stock Exchange” shall mean the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed and quoted on the official list of the Singapore Exchange Securities Trading of Singapore Limited or such other stock exchange which is an appointed stock exchange for the purposes of the Companies Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;

“Director” shall mean a director of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

“holding company” and “subsidiary” shall have the meanings ascribed to them by the Companies Act;

“market day” shall mean a day on which the Designated Stock Exchange is open for trading in securities;

“month” shall mean a calendar month;

“Newspapers”, in relation to the publication in newspapers of any notice, shall mean a daily English language newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the stock exchange in the Relevant Territory;

“paid up” in relation to a share, shall mean paid up or credited as paid up;

“the Principal Register” shall mean the register of shareholders of the Company maintained in Bermuda;

“the register” shall mean the Principal Register and any branch register to be kept pursuant to the provisions of the Statutes;

“Registered Office” shall mean the registered office of the Company for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Singapore or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

“Seal” shall mean any one (1) or more common seals from time to time of the Company for use in Bermuda or in any place outside Bermuda;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office;

“securities account” shall mean the securities account maintained by a depositor with the Depository;

“Securities and Futures Act” shall mean The Securities and Futures Act of Singapore or any statutory modification amendment or re-enactment thereof for the time being in force and any reference to any provision of the Securities and Futures Act is to that provision as so modified, amended or re-enacted or contained in such subsequent statute;

“Securities Seal” shall mean a seal for use for sealing certificates for shares or other securities issued by the Company which is a facsimile of the Seal of the Company with the addition on its face of the words “Securities Seal”;

“share” shall mean share in the capital of the Company;

“shareholder” shall mean a duly registered holder from time to time of a share;

“Singapore Companies Act” shall mean The Companies Act, Cap. 50 of Singapore or any statutory modification amendment or re-enactment thereof for the time being in force and any reference to any provision of the Singapore Companies Act is to that provision as so modified amended or re-enacted or contained in such subsequent statute;

“Statutes” shall mean the Companies Act and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;

“Transfer Office” shall mean the place where the Principal Register is situate for the time being; and

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form.

Proposed amendment to Existing Bye-law 1(A)

1. (A) The marginal notes to these Bye-Laws shall not be deemed to be part of these Bye-Laws and shall not affect their interpretation and, in the interpretation of these Bye-Laws, unless there be something in the subject or context inconsistent therewith:

“appointed newspaper” shall have the meaning as defined in the Companies Act;

“Auditors” shall mean the persons for the time being performing the duties of that office;

“Bermuda” shall mean the Islands of Bermuda;

“the Board” shall mean the board of directors of the Company as constituted from time to time or (as the context may require) the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

“these Bye-Laws” or “these presents” shall mean these Bye-Laws in their present form and all supplementary, amended or substituted Bye-Laws for the time being in force;

“call” shall include any instalment of a call;

“capital” shall mean the share capital from time to time of the Company;

“clear days”, in relation to a notice and/or a meeting shall mean a period of days exclusive of the day on which it is served or deemed to be served and of the day for which it is given or scheduled to occur;

“the Chairman” shall mean the Chairman presiding at any meeting of shareholders or of the Board;

“the Companies Act” shall mean the Companies Act 1981 of Bermuda as may from time to time be amended;

“the Company” or “this Company” shall mean CDW Holding Limited which was incorporated in Bermuda on the 2 April 2004;

“corporate representative” shall mean any person appointed to act in that capacity pursuant to Bye-law 86;

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“depositor”, “Depository” and “Depository Register” shall have meanings ascribed to them respectively in the Singapore Companies Act;

“Designated Stock Exchange” shall mean the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed and quoted on the official list of the Singapore Exchange Securities Trading of Singapore Limited or such other stock exchange which is an appointed stock exchange for the purposes of the Companies Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;

“Director” shall mean a director of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

“holding company” and “subsidiary” shall have the meanings ascribed to them by the Companies Act;

“market day” shall mean a day on which the Designated Stock Exchange is open for trading in securities;

“month” shall mean a calendar month;

“Newspapers”, in relation to the publication in newspapers of any notice, shall mean a daily English language newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the stock exchange in the Relevant Territory;

“paid up” in relation to a share, shall mean paid up or credited as paid up;

“the Principal Register” shall mean the register of shareholders of the Company maintained in Bermuda;

“the register” shall mean the Principal Register and any branch register to be kept pursuant to the provisions of the Statutes;

“Registered Office” shall mean the registered office of the Company for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Singapore or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

“Seal” shall mean any one (1) or more common seals from time to time of the Company for use in Bermuda or in any place outside Bermuda;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office;

“securities account” shall mean the securities account maintained by a depositor with the Depository;

“Securities and Futures Act” shall mean The Securities and Futures Act of Singapore or any statutory modification amendment or re-enactment thereof for the time being in force and any reference to any provision of the Securities and Futures Act is to that provision as so modified, amended or re-enacted or contained in such subsequent statute;

“Securities Seal” shall mean a seal for use for sealing certificates for shares or other securities issued by the Company which is a facsimile of the Seal of the Company with the addition on its face of the words “Securities Seal”;

“share” shall mean share in the capital of the Company;

“shareholder” shall mean a duly registered holder from time to time of a share;

“Singapore Companies Act” shall mean The Companies Act, Cap. 50 of Singapore or any statutory modification amendment or re-enactment thereof for the time being in force and any reference to any provision of the Singapore Companies Act is to that provision as so modified amended or re-enacted or contained in such subsequent statute;

“Statutes” shall mean the Companies Act and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;

“Transfer Office” shall mean the place where the Principal Register is situate for the time being;
~~and~~

“treasury shares” shall mean shares of the Company which have been acquired by the Company and have not been cancelled but have been held continuously by the Company since they were acquired in accordance with the Companies Act; and

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form.

2. **Bye-law 7**

Existing Bye-law 7

- 7 (A) The authorised share capital of the Company at the date on which these Bye-Laws come into effect is US\$30,000,000 divided into 1,500,000,000 shares of US\$0.02 each.
- (B) Subject to the Statutes, the power contained in the Memorandum of Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

Proposed amendment to existing Bye-law 7

- 7 (A) The authorised share capital of the Company at the date on which these Bye-Laws come into effect is US\$30,000,000 divided into 1,500,000,000 shares of US\$0.02 each.
- (B) ~~Subject to the Statutes, the power contained in the Memorandum of Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.~~ **The Company may purchase its own shares for cancellation or to acquire them as treasury shares in accordance with the Companies Act on such terms as the Board shall think fit. Any power of the Company to purchase or acquire its own shares shall be exercisable by the Board in accordance with and subject to the Companies Act, the Company's memorandum of association and, for as long as the shares of the Company are listed on the Designated Stock Exchange, the prior approval of the shareholders in general meeting for such purchase or acquisition.**

3. Bye-law 12

Existing Bye-law 12

12. (A) Subject to the provisions of the Companies Act and to the provisions of these Bye-laws and without prejudice to any special rights or restrictions for the time being allocated to any shares or any class of shares, all unissued shares shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount provided always that:-
- (i) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the shareholders in general meeting;
 - (ii) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to shareholders holding shares of any class shall be offered to such shareholders in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of Bye-law 10 with such adaptations as are necessary shall apply;
 - (iii) any other issue of shares, the aggregate of which would exceed the limits set out in paragraph (B) below, shall be subject to the approval of the Members in General Meeting; and
 - (iv) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same.

The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, if and so far as such provisions may be applicable thereto.

- (B) Notwithstanding Bye-law 12(A) above, the Company may by Ordinary Resolution give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to issue shares (whether by way of rights, bonus or otherwise) where:-
- (i) the aggregate number of shares to be issued pursuant to such authority does not exceed 50 percent (or such other limit as may be prescribed by the Designated Stock Exchange) of the issued share capital of the Company for the time being, of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20 percent (or such other limit as may be prescribed by the Stock Exchange) of the issued share capital of the Company for the time being; and

- (ii) unless previously revoked or varied by the Company at a meeting, such authority to issue shares does not continue beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution or the date by which such Annual General Meeting is required to be held, or the expiration of such other period as may be prescribed by the Companies Act, whichever is the earliest date.
- (C) Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.

Proposed amendment to existing Bye-law 12

12. (A) Subject to the provisions of the Companies Act and to the provisions of these Bye-laws and without prejudice to any special rights or restrictions for the time being allocated to any shares or any class of shares, all unissued shares shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount provided always that:-

- (i) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the shareholders in general meeting;
- (ii) (subject to any direction to the contrary that may be given by the Company in general meeting) any issue of shares for cash to shareholders holding shares of any class shall be offered to such shareholders in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of Bye-law 10 with such adaptations as are necessary shall apply;
- (iii) any other issue of shares, the aggregate of which would exceed the limits set out in paragraph (B) below, shall be subject to the approval of the Members in General Meeting; and
- (iv) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same.

The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, if and so far as such provisions may be applicable thereto.

(B) Notwithstanding Bye-law 12(A) above, the Company may by Ordinary Resolution give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to issue shares (whether by way of rights, bonus or otherwise) where:-

- (i) the aggregate number of shares to be issued pursuant to such authority does not exceed 50 percent (or such other limit as may be prescribed by the Designated Stock Exchange) of the issued share capital of the Company for the time being, of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20 percent (or such other limit as may be prescribed by the Stock Exchange) of the issued share capital of the Company for the time being; and

- (ii) unless previously revoked or varied by the Company at a meeting, such authority to issue shares does not continue beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution or the date by which such Annual General Meeting is required to be held, or the expiration of such other period as may be prescribed by the Companies Act, whichever is the earliest date.
- (C) Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.
- D) Subject to the provisions of these Bye-laws, any shares of the Company held as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.**

4. Bye-law 192(B)

Existing Bye-law 192(B)

192(B) For so long as the shares of the Company are listed on the Designated Stock Exchange, each shareholder shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (a) the particulars of the shares beneficially owned by him, or (b) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (c) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) days after (a) becoming a substantial shareholder, (b) the date of change in interests, or (c) the date of cessation, as the case may be. For the purposes of this Bye-law, the term “substantial shareholder” shall have the same meaning ascribed to it in Sections 81(1) and 81(2) of the Singapore Companies Act and the term “interest” or “interests” shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act.

Proposed amendment to existing Bye-law 192(B)

192(B) For so long as the shares of the Company are listed on the Designated Stock Exchange, each shareholder shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in **the percentage level of his interest or interests in the voting shares in the Company** and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (a) the particulars of the shares beneficially owned by him, or (b) the particulars of the change in **the percentage level of his interests in the voting shares in the Company** (including the date of change and the circumstances by reason of which that change has occurred), or (c) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) days after (a) becoming a substantial shareholder, (b) the date of change in interests, or (c) the date of cessation, as the case may be.

For the purposes of this Bye-Law;

- (a) the term “substantial shareholder” shall have the same meaning ascribed to it in Sections 81(1) and 81(2) of the Singapore Companies Act; ~~and~~
- (b) the term “interest” or “interests” shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act; **and**

- (c) the term “percentage level”, in relation to a substantial shareholder, means the percentage figure ascertained by expressing the total votes attached to all the voting shares in which the substantial shareholder has an interest or interests immediately before or (as the case may be) immediately after the relevant time as a percentage of the total votes attached to: -
- (i) all the voting shares in the Company; or
 - (ii) where the share capital of the Company is divided into two or more classes of shares, all the voting shares included in the class concerned,

and, if it is not a whole number, rounding that figure down to the next whole number.

GUIDELINES ON SHARES PURCHASES

1. Shareholders' Approval

- (a) Purchases of Shares by the Company must be approved in advance by the Shareholders at a general meeting of the Company, by way of a general mandate.
- (b) A general mandate authorising the purchase of Shares by the Company representing up to ten per cent. (10%) of the Company's issued ordinary share capital will expire on the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the date by which the next annual general meeting of the Company is required by law to be held; or
 - (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders of the Company in general meeting.
- (c) The authority conferred on the Directors by the Shares Purchase Mandate to purchase Shares shall be renewed at the next annual general meeting of the Company.
- (d) When seeking Shareholders' approval for the renewal of the Shares Purchase Mandate, the Company shall disclose details pertaining to the purchases of Shares made during the previous twelve (12) months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest price for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

2. Mode Of Purchase

Shares Purchases can be effected by the Company in either one of the following two ways or both:

- (a) by way of market purchases of Shares on the SGX-ST, which means a purchase transacted through the Central Limit Order Book trading system; or
- (b) by way of off-market acquisitions on an equal access scheme as defined in Section 76C of the Companies Act.

3. Funding Of Shares Purchases

- (a) In purchasing the Shares, the Company may only apply funds legally permitted for such purchase in accordance with its Bye-laws, and the relevant laws and regulations enacted or prescribed by the relevant competent authorities in Bermuda and Singapore.
- (b) Any purchase by the Company may only be funded out of the capital paid up on the shares to be purchased, or out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase, and the premium payable on the purchase (i.e. the amount paid in excess of the nominal value of the Shares to be purchased) must be provided for out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the Company's share premium account before the Shares are purchased.
- (c) The Company may not purchase its Shares on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.

4. Trading Restrictions

The number of Shares which can be purchased pursuant to the Shares Purchase Mandate is such number of Shares which represents up to a maximum of ten per cent. (10%) of the issued ordinary share capital of the Company as at the date of the last annual general meeting of the Company or at the date of the SGM, whichever is the higher, during the Relevant Period, or within any one financial year of the Company, whichever is earlier.

5. Price Restrictions

Any Shares Purchase undertaken by the Company shall be at the price of up to but not exceeding the Maximum Price.

6. Off-Market Purchases

- (a) For purchases of Shares made by way of an Off-Market Purchase, the Company shall issue an offer document to all Shareholders. The offer document shall contain, *inter alia*, the following information:
- (i) the terms and conditions of the offer;
 - (ii) the period and procedures for acceptances;
 - (iii) the reasons for the proposed Shares Purchase;
 - (iv) the consequences, if any, of Shares Purchase by the Company that will arise under the Singapore Code on Take-overs and Mergers or any other applicable take-over rules;
 - (v) whether the purchase of Shares, if made, would have any effect on the listing of the Company's securities on the SGX-ST; and
 - (vi) details of any purchase of Shares made by the Company in the previous twelve (12) months whether through Market Purchases or Off-Market Purchases, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.
- (b) All Offeree Shareholders shall be given a reasonable opportunity to accept any offer made by the Company to purchase their Shares under the Shares Purchase Mandate.
- (c) The Company may offer to purchase Shares from time to time under the Shares Purchase Mandate subject to the requirement that the terms of any offer to purchase Shares by the Company shall be *pari passu* in respect of all Offeree Shareholders save under the following circumstances:
- (i) where there are differences in consideration attributable to the fact that an offer relates to Shares with different dividend entitlements;
 - (ii) where there are differences in consideration attributable to the fact that an offer relates to Shares with different amounts remaining unpaid; and
 - (iii) where there are differences in an offer introduced solely to ensure that every Shareholder is left with a whole number of Shares in board lots of 1,000 Shares after the Shares Purchases, in the event there are Offeree Shareholders holding odd numbers of Shares.

7. Status Of Purchased Shares

A Share purchased or acquired by the Company is deemed cancelled immediately and the relative certificates for the Share shall be cancelled and destroyed on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Where Shares are cancelled but not held as treasury shares, the issued share capital of the Company shall be diminished by the nominal value of the Shares purchased or acquired by the Company. No reduction is made to the Company's authorised capital.

8. Notification To The SGX-ST

- (a) The Company must notify the SGX-ST of any Shares Purchases as follows:
 - (i) in the case of a market acquisition, by 9.00 am on the market day following the day on which it purchased Shares; or
 - (ii) in the case of an off-market acquisition under an equal access scheme, by 9.00 am on the second market day after the close of acceptances of the offer.
- (b) Notification must be in the form of Appendix 8.3.1 of the Listing Manual (or 8.3.2 if the Company has a dual listing on another stock exchange). Such announcement must include details of the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable.

9. Suspension Of Purchase

- (a) The Company may not undertake any Shares Purchase prior to the announcement of any price-sensitive information by the Company, until such time as the price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual.
- (b) The Company may not effect any repurchases of Shares on the SGX-ST during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year, or one month before half year or financial year, as the case may be, and ending on the date of announcement of the relevant results.

CDW HOLDING LIMITED

(Incorporated in Bermuda on 2 April 2004)
(Bermuda Company Registration Number: 35127)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of CDW Holding Limited (the “**Company**”) will be held at Carlton Hotel Singapore, Level 4, Esplanade Room 1, 76 Bras Basah Road, Singapore 189558 on 28 April 2009 at 3.15 p.m. (or immediately following the conclusion or adjournment of the 2009 Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing (with or without modification) the following resolutions:-

Resolution 1

Special Resolution: Proposed amendments to the Company’s bye-laws

That the proposed amendments to the Company’s bye-laws which are set out in Appendix 1 of the Company’s Circular to its shareholders dated 3 April 2009 (“Circular”), be and are hereby approved and adopted.

Resolution 2

Ordinary Resolution: Proposed renewal of the Shares Purchase Mandate

That:

- (a) pursuant to the bye-law 7(B) of the Company’s bye-laws, the Directors of the Company be and are hereby authorized to make purchases of shares in the Company (“Shares”) from time to time (whether by way of market purchases or off-market purchases on an equal excess scheme) of up to ten per cent. (10%) of the issued ordinary share capital of the Company (ascertained as at the date of the last annual general meeting of the Company or at the date of the Special General Meeting (“SGM”), whichever is the higher) during the Relevant Period, or within any one financial year of the Company, whichever is earlier, at the price of up to but not exceeding the Maximum Price, in accordance with the “Guidelines on Share Purchases” set out in Appendix 2 of the Circular and this mandate (“Shares Purchase Mandate”) shall, unless revoked or varied by the Company in general meeting continue in force until the date that the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier.
- (b) in this Resolution:

“Relevant Period” means the period commencing from the date the Shares Purchase Mandate is conferred by the Company in general meeting at the SGM and expiring on the earlier of the date the next annual general meeting of the Company is held or is required by law to be held, or the date the said mandate is revoked or varied by the Company in general meeting;

“Market Day” means a day on which the SGX-ST is open for trading in securities;

“Market Purchase” means on-market acquisitions of Shares on the SGX-ST through the Central Limit Order Book trading system during the Relevant Period. For the purposes of this definition, a market acquisition means an on-market purchase transacted on SGX-ST through the Central Limit Order Book trading system;

“Maximum Price” means the maximum price at which the Shares can be purchased pursuant to the Shares Purchase Mandate, which shall:

- (i) in the case of a Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded before the day on which such purchase is made and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period; and

- (ii) in the case of an Off-Market Purchase not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of offer by the Company and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period;

“Off-Market Purchase” means off-market acquisitions of Shares undertaken by the Company during the Relevant Period on an equal access scheme as defined in Section 76C of The Companies Act, Chapter 50 of Singapore, and a “Off-Market Purchase” shall be construed accordingly; and

“SGX-ST” means the Singapore Exchange Securities Trading Limited.

By Order of the Board

Tan San-Ju
Secretary

3 April 2009

Notes:

1. A shareholder entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and vote on his behalf. A shareholder who is the holder of two or more shares may appoint not more than two proxies to attend on the same occasion. The Depository may appoint more than two proxies or corporate representatives. A proxy need not be a shareholder of the Company.
2. If a Shareholder wishes to appoint a proxy/proxies to attend and vote at the SGM in his stead, the Shareholder should complete and submit the form of proxy despatched to Shareholders (the “Shareholder Proxy Form”).
3. Pursuant to the bye-laws of the Company, in respect of the Shares held by the Depository, unless the Depository specifies otherwise by written notice to the Company, the Depository shall be deemed to have appointed as the Depository’s proxies to vote on behalf of the Depository at the SGM of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository (as at a time not earlier than 48 hours prior to the time of the relevant meeting) supplied by the Depository to the Company and such appointment of proxy shall not require an instrument of proxy or the lodgement of any instrument of proxy. Accordingly, a Depositor who is an individual and who wishes to attend and vote in person at the SGM may do so without having to submit the form of proxy despatched to Depositors (the “Depositor Proxy Form”). A Depositor which is a corporation and which wishes to attend the SGM must submit the Depositor Proxy Form for the nomination of person(s) to attend and vote at the SGM on behalf of The Central Depository (Pte) Limited (“CDP”).
4. If a Depositor wishes to nominate person(s) to attend and vote at the SGM in his stead on behalf of CDP, the Depositor should complete and submit the Depositor Proxy Form.
5. To be valid, the Shareholder Proxy Form must be signed and together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, deposited at the office of the Company’s Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub Singapore 049483, not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
6. To be valid, the Depositor Proxy Form must be signed and together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, deposited at the office of the Company’s Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub Singapore 049483, not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
7. Where a form of proxy (whether the Shareholder Proxy Form or Depositor Proxy Form) appoints more than one proxy, please specify the proportion of the shareholding concerned to be represented by each proxy in the form of proxy.

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