



CDW Holding Limited

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PRESS RELEASE

**Clarification on newspaper reports published in The Straits Times
and Lianhe Zaobao regarding the CDW Holding Limited Annual
General Meeting for Financial Year 2010 (“AGM”)**

- Purpose of poll for Resolution 5 was to ensure fair representation of all shareholders
- Recommendation of one-off increase in independent directors’ remuneration is based on fair compensation due to additional meetings held during the financial year 2011.

SINGAPORE, 3 June 2011 – Mainboard-listed precision components specialist CDW Holding Limited (“CDW” or the “Company”), came forward to clarify reports published in newspapers The Straits Times and Lianhe Zaobao on 1 June 2011.

CDW said that Lianhe Zaobao reported that the controversy was triggered by two resolutions. However, only one resolution, Resolution 5, which proposes that the combined fees for CDW independent directors be raised from S\$220,000 to S\$400,000 was disputed.

Both Lianhe Zaobao and The Straits Times stated that the shareholders who were at the AGM were unhappy that the Chairman of the Meeting exercised his right to demand a poll for Resolution 5 which allows each share to carry one vote.

CDW said that the poll result, which was allowed and conducted under a bye-law of the Company, was fair as there were no restrictions on any shareholders casting votes on Resolution 5 at the AGM and no shareholder had indicated in the Depositor Proxy Forms that they intended to vote against Resolution 5. Thus with the results of the vote which was 99.96% approved and 0.04% opposed, Resolution 5 was duly passed.

During the AGM, it was explained to the shareholders that the increase in Director’s Fees for the year ending 31 December 2011 is not a reward as mentioned in both newspaper reports, but due compensation for the considerable time and effort spent by the independent directors in attending additional meetings to resolve issues arising from the fund transfer episode between its subsidiary, Crystal Display Components (Shanghai) Co., Limited and Ichiban Real Estate Development (Suzhou) Co., Ltd.

It was also indicated in the Corporate Governance section of its 2010 Annual Report that the directors had convened 9 board meetings and 22 audit committee meetings to decide the best course of action for shareholders' interests. Usually, formal board meetings and audit committee meetings are held an average of four times each a year.

CDW would also like to clarify that during the AGM, Executive Director Mr Edward Lai was appointed as Chairman of the Meeting of the AGM by the Chairman and Chief Executive Officer of CDW, Mr Kunikazu Yoshimi, to better facilitate matters as Mr Yoshimi does not speak fluent English.

The report in Lianhe Zaobao also stated that shareholders in attendance fielded questions regarding the Company's future prospects and were dissatisfied with the answers. CDW explained that the board had focused its answers on questions related to the approval of the financial statements as shareholders' questions on forward-looking issues were not relevant to the resolution under voting. The board had also invited shareholders who fielded the questions on the Company's business strategy and future prospects to stay back after voting of the resolutions so that it could better address the questions.

CDW would like to reiterate that the entire AGM proceedings were carried out in accordance with the company's bye-laws. The press release is intended to address the concerns of shareholders and provide clarity on the conduct of the AGM following the report in the newspapers.

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About CDW Holding Limited:

CDW Holding Limited is a Japanese-managed precision components specialist serving the global market and focusing on the production and supply of niche precision components and mobile communication equipment, gamebox entertainment equipment, consumer and information technology equipment, office equipment and electrical appliances.

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