

CDW HOLDING LIMITED
(Incorporated in Bermuda)
(Company Registration No. 35127)

THE PROPOSED CONSOLIDATION OF EVERY TWO (2) EXISTING ORDINARY SHARES OF PAR VALUE OF US\$0.02 EACH IN THE AUTHORISED AND ISSUED SHARE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE OF PAR VALUE OF US\$0.04 EACH

1. Introduction

The Board of Directors (the "**Board**") of CDW Holding Limited (the "**Company**") wishes to announce that the Company proposes to undertake a share consolidation exercise ("**Proposed Share Consolidation**") to consolidate every two (2) ordinary shares of par value of US\$0.02 in the capital of the Company ("**Shares**") registered in the name of each shareholder of the Company ("**Shareholder**") as at the books closure date (to be announced) into one ordinary Share of par value of US\$0.04 ("**Consolidated Share**").

The number of Consolidated Shares which Shareholders are entitled to, based on their holdings of the Shares as at the books closure date, will be rounded down to the nearest whole Consolidated Share arising from the Proposed Share Consolidation and fractional entitlements will be aggregated and dealt with in such manner as the Board may, in their absolute discretion, deem fit in the interests of the Company. As at the date of this announcement, the Company has an issued and paid-up share capital of US\$10,087,084 divided into 504,354,221 Shares of par value of US\$0.02. Following the implementation of the Proposed Share Consolidation, the Company will have an issued and paid-up share capital of US\$10,087,084 divided into 252,177,110 Shares of par value of US\$0.04.

The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the shareholders' funds of the Company and its subsidiaries.

Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation.

2. Rationale for The Proposed Share Consolidation

The Monetary Authority of Singapore and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) introduced a minimum trading price (“**MTP**”) of S\$0.20 per share for Mainboard listed issuers as a continuing listing requirement with effect from 2 March 2015. Issuers have a twelve (12)-month transition period ending on 1 March 2016 to take steps to comply with the MTP requirement. Pursuant to the new MTP requirement, issuers which are not able to record a six-month volume weighted average price of S\$0.20 or above on 1 March 2016 and at any of the subsequent quarterly review dates will be placed on the SGX-ST’s watch-list. Affected issuers will be afforded a cure period of 36 months to take remedial actions. Affected issuers which fail to take remedial actions during the cure period may be delisted from the Mainboard of the SGX-ST.

The Company proposes to undertake the Proposed Share Consolidation for 2 reasons:

- (a) to comply with the MTP requirement to satisfy the continuing listing requirement imposed by SGX-ST for Mainboard-listed issuers; and
- (b) the Directors are of the view that the Proposed Share Consolidation will also rationalise the share capital of the Company by reducing the number of Shares. Accordingly, the Proposed Share Consolidation may also serve to reduce the transaction costs for investors in their dealings in the Consolidated Shares.

However, Shareholders should note that there can be no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

3. Adjustment to Employee Share Options

The alteration to the number of Shares as a result of the Proposed Share Consolidation will also constitute an event giving rise to an adjustment to the exercise price of each Option and the number of Options issued pursuant to the rules of the Employees’ Share Option Scheme 2013. Further announcement(s) will be made by the Company in respect of such adjustments as and when appropriate.

4. Approvals

The Proposed Share Consolidation is subject to, inter alia:-

- (a) the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for all the Consolidated Shares on the SGX-ST; and.
- (b) the approval of the Shareholders by ordinary resolution at the special general meeting ("**SGM**") of the Company to be convened to sanction or approve, inter alia, the proposed Share Consolidation.

An application will be made to the SGX-ST for the dealing in, listing of and quotation of the Consolidated Shares on the SGX-ST Mainboard. An appropriate announcement on the outcome of the application will be made in due course.

A circular containing, inter alia, the notice of the SGM and details of the Share Consolidation will be dispatched to Shareholders in due course.

Meanwhile, Shareholders are advised to exercise caution when dealing in the Company's securities. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Lynn Wan Tiew Leng
Company Secretary

13 March 2015