

CDW HOLDING LIMITED

(Incorporated in Bermuda)

DISPOSAL OF ENTIRE EQUITY INTEREST IN TOMOIKE ELECTRONICS (SHANGHAI) CO., LIMITED

The Board of Directors of CDW Holding Limited (the “Company”), together with its subsidiaries (the “Group”), wishes to announce that the Company’s wholly-owned subsidiary, Tomoike Industrial (H.K.) Limited (“Tomoike”) signed on 18 January 2018 a sale and purchase agreement to dispose its entire equity interest in Tomoike Electronics (Shanghai) Co., Limited (“TM Pudong”) (the “SPA”), a limited liability company established in the People’s Republic of China (“PRC”), to a third party (“Purchaser”) for a total cash consideration of RMB12,754,000 (approximately US\$1,982,000) (the “Proposed Disposal”).

INFORMATION ON TM PUDONG

TM Pudong is a limited liability company incorporated under the laws of PRC. The total registered capital of TM Pudong is US\$3,000,000. The principal business activities of TM Pudong are manufacturing and trading of parts and precision accessories for liquid crystal display module.

The consideration was arrived at after negotiation on an arm’s length and willing buyer and willing seller basis, after taking into account the net book values of TM Pudong’s assets. The unaudited net book value and net tangible asset value of TM Pudong as at 31st December 2017 was RMB16,216,000 (approximately US\$2,481,000) with current assets of RMB20,112,000 (approximately US\$3,077,000) and current liabilities of RMB3,895,000 (approximately US\$596,000). There was no independent valuation done on TM Pudong or on the shares of TM Pudong.

The gain resulting from the Proposed Disposal amounts to US\$1,112,000, being the consideration of US\$1,982,000 less the unaudited net book value of US\$2,481,000 plus the exchange gain amounting to US\$1,611,000 transferred from exchange reserve upon the completion of the disposal of TM Pudong.

RATIONALE

Under the Group’s exercise to consolidate its operations, the business of TM Pudong has been transferred to the Group’s other operating subsidiaries and the transfer of business is expected to be completed by end of January 2018. TM Pudong will become a non-operating entity as a result. Compared with voluntary winding-up or liquidation, the Proposed Disposal would allow the Company to get back the funds

from the PRC to Hong Kong in a shorter period of time and in a more efficient manner for other investment opportunities. The Board, after careful consideration, is of the view that this transaction would improve the performance of the Group by reducing excessive overhead and therefore is in the best interest of the Group.

RELATIVE FIGURES OF THE COMPANY'S DISPOSAL OF TM PUDONG

Based on the latest unaudited financial statements of the Group for the nine months ended 30th September 2017, the relative figures for this transaction ("Relative Figures") computed on the bases of assessment pursuant to Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual") are set out below:

Rule	Base	Relative Figure
1006(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value.	4.1%
1006(b)	Net profits attributable to the assets acquired, compared with the Group's net profits.	(14.6%)
1006(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	4.56%
1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issued.	Not applicable

Notes: The market capitalisation of the Company is S\$57.4 million (equivalent to US\$43.4 million based on the exchange rate of US\$1 = S\$1.3214 (rounded to 4 decimal places), obtained from the Monetary Authority of Singapore on 17th January 2018), determined by multiplying the number of shares in issue by S\$0.25, i.e. the weighted average price of the Company's shares transacted on 17th January 2018, being the last full market day for which the Company's shares were traded, preceding the date of the transaction.

Notwithstanding that the relative figures for this transaction computed on the applicable bases set out in Rule 1006 amounts to less than 5%, this transaction is announced as a discloseable transaction under Chapter 10 of the Listing Manual. In addition, the completion of Proposed Disposal may be subject to the approval of shareholders and the Company shall consult the Singapore Exchange Securities Trading Limited accordingly.

FINANCIAL EFFECTS

Net Tangible Asset ("NTA") per Share

For illustrative purposes only and assuming that the Proposed Disposal had been

completed on 31st December 2016, the pro forma financial effects of the Proposed Disposal on the consolidated NTA of the Group as at 31st December 2016 will be as follows:

	Before Completion of the Proposed Disposal ¹	After Completion of the Proposed Disposal ²
Consolidated NTA attributable to the shareholders of the Company (US\$)	60,303,000	59,297,000
Number of shares (excluding treasury shares)	232,230,008	232,230,008
Consolidated NTA per share attributable to the shareholders of the Company (US cents)	25.97	25.53

Notes:

1. Before completion, based on the Group's audited balance sheet as at 31st December 2016, which is the Group's latest completed financial year results that has been announced.
2. Based on the NTA of TM Pudong of RMB20,738,000 (approximately US\$2,988,000) as at 31st December 2016.

Earnings per Share ("EPS")

For illustrative purposes only and assuming that the Proposed Disposal had been completed on 1st January 2016, the pro forma financial effects of the Proposed Disposal on the consolidated EPS of the Group for the financial year ended 31st December 2016 ("FY2016") will be as follows:

	Before Completion of the Proposed Disposal	After Completion of the Proposed Disposal
Profit attributable to the shareholders of the Company (US\$)	403,000 ¹	1,284,000 ²
Weighted average number of ordinary shares for the purpose of basic earnings per ordinary share (excluding treasury shares)	237,265,476	237,265,476
Effect of dilutive share options	1,891,338	1,891,338
Weighted average number of ordinary shares for the purpose of diluted earnings per ordinary share (excluding treasury shares)	239,156,814	239,156,814

	Before Completion of the Proposed Disposal	After Completion of the Proposed Disposal
Consolidated EPS (US cents)		
- Basic	0.170	0.541
- Fully diluted	0.168	0.537

Notes:

1. Based on the latest completed financial year results that have been announced.
2. Based on the assumption that the Proposed Disposal was completed on 1st January 2016 and the loss of TM Pudong of RMB5,846,000 (approximately US\$881,000) for FY2016.

KEY TERMS OF THE SPA

The SPA is conditional upon the satisfaction that within ten (10) days upon signing the SPA, a) both parties shall obtain the proper internal approval of this transaction; b) the registered capital of the Purchaser amounting to RMB10,800,000 (approximately US\$1,679,000) shall be fully paid up; and c) the Purchaser has the legal capacity to acquire the paid-in capital of TM Pudong and shall provide proof of funds for the consideration to be paid in full.

The consideration shall be settled in full by one instalment within sixty (60) days after a new business licence showing the Purchaser as shareholder of TM Pudong is obtained.

The obligation of Tomoike in connection with the transfer of ownership is fulfilled when all the registration/cancellation procedures necessary for change of ownership with the relevant PRC competent authorities are completed.

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their shareholdings in the Company, none of the Directors or the controlling shareholders have any direct or indirect interest in the above transaction.

SERVICE CONTRACTS

As this is a Proposed Disposal, there are no service contracts of the directors in connection with the Proposed Disposal.

By Oder of the Board

Philip DyMo

Executive Director

19 January 2018