

CDW HOLDING LIMITED
(Incorporated in Bermuda)

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

1. The Board of Directors (the “**Board**”) of CDW Holding Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refer to its announcement dated 19 January 2018 (the “**Previous Announcement**”). Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meaning as defined in the Previous Announcement.
2. In the Company’s Previous Announcement, the Board disclosed that the Relative Figures were as follows:

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 disposed of, 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 issue.	Not applicable

As the Relative Figure under Rule 1006(b) is a negative figure and amounted to (14.6%), the Company informed its shareholders (“**Shareholders**”) that it will consult the Singapore Exchange Regulation Pte. Ltd. (“**SGX RegCo**”) on whether Shareholders’ approval is required in respect of the Proposed Disposal.

3. As a follow up from the Previous Announcement, the Board wishes to announce that the internal transfer of business of TM Pudong to the Company’s subsidiary, Tomoike Precision Machinery (Shanghai) Co., Limited (“**TM Shanghai**”) has been completed in March 2018. All production orders of TM Pudong are now fulfilled by TM Shanghai. Further, the usable inventory of TM Pudong has been sold to other operating subsidiaries of the Group. As at 31 May 2018, all accounts payable amounting to RMB1,458,820.89 as at 31 December 2017 have been settled. There are no outstanding accounts receivables as of the date of this announcement. The SPA provides for an adjustment to the consideration price in the event that the cash balance in TM Pudong is higher or lower than the cash balance amount stipulated in the SPA.
4. As TM Pudong is now a non-operating entity of the Group after the transfer of its business assets, the Board has consulted with SGX RegCo to seek its confirmation that Shareholders’ approval is not required in respect of the Proposed Disposal. As previously mentioned in the Previous Announcement, the total cash consideration for the Proposed Disposal is RMB 12,754,000 (approximately US\$1,982,000). The total cash consideration was arrived at after negotiations on an arm’s length and willing-seller-willing-buyer basis, after taking into account the net asset value of TM Pudong of RMB 16,216,000 (approximately US\$2,481,000) as at 31 December 2017, and the estimated liquidation costs of TM Pudong which is based on its previous experience with the liquidation of Crystal Display Components (Suzhou) Co., Limited. The Company will announce the adjusted total cash consideration after the completion of the Proposed Disposal has taken place.

5. If a purchaser had not been found to purchase TM Pudong, the Company would have to liquidate TM Pudong before it could realise the net assets. The Board estimates that the liquidation process of TM Pudong could take approximately 2 years to complete. As the transfer process to the Purchaser would take approximately 6 months to complete, the Company would be able to receive the total cash consideration much earlier than if it voluntarily liquidated TM Pudong.
6. The Company also submitted to the SGX RegCo that:
 - (a) the principal activities of the Group would remain the same before and after the Proposed Disposal and there would be no material change in the Group's businesses after the Proposed Disposal; and
 - (b) the Proposed Disposal is in the interests of the Group as the Company has been able to continue the production orders previously undertaken by TM Pudong at the other subsidiary, TM Shanghai, hence maintaining its revenue and without having to incur the operating expenses of TM Pudong any further.
7. By reason of the aforesaid, the Board is of the view that the Relative Figure under Rule 1006(b) is not meaningful and therefore not applicable since TM Pudong is now a cash company with no other material assets, and in view of the net loss position of TM Pudong. The SGX RegCo has informed the Company on 27 August 2018 that it is not required to seek shareholders' approval for the Proposed Disposal under Rule 1014(2) of the Listing Manual. As the remaining Relative Figures do not exceed 5%, the Proposed Disposal constitutes a non-disclosable transaction under Chapter 10 of the Listing Manual.
8. The Company intends to utilise the net proceeds from the Proposed Disposal for general working capital purposes.
9. The purchaser and its shareholders are independent third parties and are not related to the Company or any director or substantial shareholder of the Company. None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal save for their shareholdings in the Company. The purchaser is Suzhou Meilaite Trading Co., Limited (苏州美莱特贸易有限公司) with a registered capital of RMB 10,800,000, and its shareholders are Mr Wu Xiao Long and Ms Liu Hong Mei. Mr Wu and Ms Liu hold 94.9% and 5.1% of the purchaser respectively. To the best of the Board's knowledge, Mr Wu is involved in the real estate business of Suzhou.

BY ORDER OF THE BOARD

**DYMO HUA CHEUNG, PHILIP
EXECUTIVE DIRECTOR**

28 August 2018