

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

**PROPOSED EQUITY JOINT VENTURE WITH SUZHOU INDUSTRIAL ESTATE JIA AN
INVESTMENT COMPANY LIMITED IN SUZHOU, THE PEOPLE'S REPUBLIC OF CHINA**

The Board of Directors of CDW Holding Limited (the "**Company**") wishes to announce that the Company's wholly-owned subsidiary, Tomoike Industrial (H.K.) Limited ("**Tomoike HK**") has on 14th October 2014 entered into a definitive Letter of Intent and a supplemental agreement (collectively the "**LOI**") with Suzhou Industrial Estate Jia An Investment Company Limited (苏州工业园区嘉安投资有限公司) (the "**JV Partner**") to establish an equity joint venture company ("**EJV**") in Suzhou, the People's Republic of China ("**PRC**").

KEY TERMS TO THE LOI

(a) Incorporation of the EJV

Under the terms of the LOI, Tomoike HK and the JV Partner will jointly incorporate the EJV in Suzhou, Jiangsu Province, the PRC, to be named Ji Hui Long (Suzhou) Investment Company Limited (吉汇隆(苏州)投资有限公司). The business scope of the EJV shall be to invest in PRC entities which have growth potential.

The total investment amount and registered capital of the EJV will be US\$30.0 million. The JV Partner will contribute US\$22.5 million, representing 75% of the total capital of the EJV, and Tomoike HK will contribute US\$7.5 million, representing 25% of the total capital of the EJV. It is the intention of the Company to fund its share of the cost of equity participation in the EJV from internal cash resources of Tomoike HK.

(b) Directors and management of the EJV

The board of directors of the EJV (the “**JV Board**”) shall comprise 4 directors, 2 to be appointed by the JV Partner and 2 to be appointed by the Company. The appointment of the chairman and deputy chairman of the JV Board shall be the unanimous decision of all directors. Where the chairman is a director nominated by the JV Partner, the deputy chairman shall be a director nominated by the Company and vice versa.

The general manager and deputy general manager and other management personnel who shall be responsible for the operation of the EJV shall be appointed by the Board.

The formation of the EJV is subject to the initial approval of the Suzhou Industrial Park Economic & Trade Development Bureau in Suzhou (the “**SIPETDB**”) and the final approval from the relevant authority in Beijing, the PRC. Upon the approval of the SIPETDB and the relevant authority, the parties shall adopt the terms of the LOI as the articles of association of the EJV. Under the supplemental agreement, Tomoike HK may withdraw from the LOI at any time by giving the JV Partner a written notice of its intention to do so.

RATIONALE

The Company has been actively exploring business expansion initiatives and opportunities in fast growing entities with high investment potential as part of its future plans. The EJV could allow the Company and its subsidiaries (the “**Group**”) to further expand its presence in the PRC by leveraging on its long established brand name and its extensive network. This is in line with the Company’s strategic plans and on-going efforts to strengthen the Group’s position. The Board, after careful consideration of the prospects of the joint venture with the JV Partner, is of the view that the joint venture would provide a source of additional profits for the Group and is in the best interest of the Group.

RELATIVE FIGURES OF THE COMPANY'S INVESTMENT IN THE EJV

Based on the latest audited financial statements of the Group for the year ended 31st December 2013, the relative figures for the proposed investment in the EJV ("**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.	Not applicable
1006(b)	Net profits attributable to the assets acquired, compared with the Group's net profits.	Not applicable
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	14.1%
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:

- (1) The market capitalisation of the Company is S\$67 million (equivalent to US\$53 million based on the exchange rate of US\$1 = S\$1.27 (rounded to 2 decimal place), obtained from the Monetary Authority of Singapore on 13th October 2014), determined by multiplying the number of shares in issue by S\$0.142, i.e the weighted average price of the Company's shares transacted on 13th October 2014, being the last full market day for which the Company's shares were traded, preceding the date of the LOI.

As the Relative Figure computed under Rule 1006(c) is more than 5% but less than 20%, the proposed investment in the EJV is considered a Discloseable Transaction under Chapter 10 of the Listing Manual.

FINANCIAL EFFECT

The EJV is not expected to have any material financial impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the current financial year ending 31st December 2014.

SERVICE CONTRACTS

No person is proposed to be appointed as director of the Company in connection with the EJV. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this announcement, none of the Directors or controlling shareholders has any other interest, direct or indirect, in the EJV (other than in their capacity as Director or shareholder of the Company).

GENERAL INFORMATION

A copy of the LOI is available for inspection during normal business hours at Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 for a period of three (3) months commencing from the date of this announcement.

By Oder of the Board

Lynn Wan Tiew Leng
Company Secretary
14th October 2014