

APPENDIX 1

CDW HOLDING LIMITED (“Company”)

Minutes of Annual General Meeting – 29 April 2024

Summary of Questions & Answers

Question 1 (Shareholder #1) : Referring to pages 152 and 153 of the Annual Report FY2023, the revenue for all segments has dropped compared to FY2022. I would like to understand if the Company has lost focus in FY2023?

Answer (Mr. Cheung Chi Ming (“Jim Cheung”)) : The drop was partly due to the US-China trade friction. The revenue for the LCD backlight units business had dropped due to lower demand from our ultimate customers in notebook computers and we expect the LCD backlight unit business to improve in the year 2026 due to the expected replacement cycle of notebook computers in 2025, driven by the update of the windows system, thereby creating a demand for new computers. The OEM and Accessories segment dropped due to the delay in the mass production of a major new product model. The client has re-scheduled production in 2024 and we expect the result for the OEM and Accessories segment would improve then.

The Management will maintain their focus and allocate resources to the core business on top priority, specifically the Backlight and OEM segments. After that, the Group will continue to explore new business opportunities, such as Life Science.

Question 2 (Shareholder #1) : Was there any customer diversification or product diversification effort made by the Group?

Answer (Mr. Jim Cheung) : The Group has been making efforts to diversify in production locations. The Group has now expanded to outside of China, such as cooperation with a Thailand subcontractor and resumed its production site in the Philippines.

The Group has made efforts to diversify its business, particularly through initiatives such as OEM, with the aim of expanding its customer base. However, expanding the customer base requires an incubation process and a significant amount of time and effort.

Question 3 (Shareholder #1) : Has the Group suffered low sales from the tariff imposed by the US on Chinese goods?

Answer (Mr. Jim Cheung) : The revenue of the Group is very much depending on the customers who utilize our LCD panels as part of their end products. Therefore, any adverse conditions in the retail market can directly impact the performance of both our customers and the Group.

Question 4 (Shareholder #1) : Would the Group expect recovery in 2024 and in which segment?

Answer (Mr. Jim Cheung) : It is very difficult to predict the performance of the Group at current moment. However, the Group is making effort to review and to streamline its production process to improve efficiency.

Question 5 (Shareholder #1) : The Group has invested US\$16.5 million into Others business, may we know when we can see a return on this?

Answer (Mr. Jim Cheung) : The other business includes A Biotech Co., Ltd (“ABio”) and general trading companies. The US\$16.5 million is the total assets (including fixed assets, receivables, goodwill and others) of those companies, which includes a goodwill arising from our acquisition of the controlling shareholding in ABio. This segment is still undergoing research and development stage currently

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with the aim to diversify and hope it would generate returns in the near future.

Question 6 (Shareholder #1) : How much is the goodwill for ABio? And what product would ABio offer?

Answer (Mr. Jim Cheung) : The goodwill of ABio stands around US\$14 million and currently the Group holds approximately 72% of ABio’s stakes. The ABio is working on cancer drug and in the event that the ABio research project is mature enough, the Group would consider funding activities.

Question 7 (Shareholder #1) : I understand that it would take very long to get these products approved. Does the Group have sufficient funds to continue funding?

Answer (Mr. Jim Cheung) : ABio is working on these products in Korea as Korea is one of the countries with the shortest time to get the similar drug approved. Once the approval has been obtained in Korea, it would be easier to get approval in other countries or markets.

Question 8 (Shareholder #2) : I understand the Group’s main business is to produce display panels. China has a lot of electronic vehicles (“EV”) that require display panels in the EVs, is the Group supplying display panels to these EVs companies?

Answer (Mr. Jim Cheung) : Our Group mainly provides backlight panels for notebook computers, video information display (“VID”) units for automobiles, and display unit for multimedia consoles. For VID units, our customer mainly supply the display units to European and American car makers. The Group aim to produce premium quality products and reliable services to our customers instead of focusing on price competition.

Question 9 (Shareholder #3) : I note that there is a sharp drop in number of workers. What are the reasons for the drop?

Answer (Mr. Jim Cheung) : There was a drop in production demand, and the number of workers was also affected.

Question 10 (Shareholder #3) : I would like to understand the CAPEX required for the Philippines plant.

Answer (Mr. Jim Cheung) : The Philippines plant currently host a SMT production line and it would not require a large number of workers.

Question 11 (Shareholder #3) : Would the semi-automation system apply to other segments as well?

Answer (Mr. Jim Cheung) : Different segment have different production process, and different degree of automation. The Group is currently assessing the business performance of the OA segment, which mainly relies on labor. As part of this evaluation, we are reviewing the performance, pricing, and product portfolio of the OA segment. Additionally, we are in negotiations with our customers to address these aspects. During this review stage, there may be a reduction in the workforce as we optimize and streamline operations.

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Question 12 (Shareholder #3) : I note that the major shareholder is selling his shares at the lower end. Has the Group tried to understand his rationale?

Answer (Mr. Cheung) : The major shareholder is selling due to his personal financial planning.

Question 13 (Shareholder #4) : Based on the Annual Report FY2023, there was a surge in the order of POS machines in 2022. However, there was a delay in revenue recognition due to design difficulty with one major model in 2023. Has the design difficulty been resolved?

Answer (Mr. Jim Cheung) : We have planned the production in 2023. However, due to the rescheduling of the production in 2023, it affected the performance of the OEM segment. We have commenced production of the model in 2024.

The POS machines are mainly for the US market. If the US retail market performing well, it would likely benefit us.

Question 14 (Shareholder #4) : Noted that the Group has invented LANFA. What is the advantage of using LANFA instead of its substitute and how much profit margin the Group is looking at? Is it targeting high-end market usage or general market usage?

Answer (Mr. Jim Cheung) : LANFA is a new compound that can increase the solubility of substances. The researchers are currently exploring its potential applications, and at this stage, it is challenging to pinpoint specific uses or a singular direction. Given its significant potential, LANFA could develop across various fields and industries.

Question 15 (Shareholder #5) : Would the OEM performance go back to the 2022 level?

Answer (Mr. Jim Cheung) : With the rescheduling of production to 2024, we expect OEM segment to perform better than 2023.

Question 16 (Shareholder #5) : I note that the EBIT for the Office Automation segment has decreased over the past 5 years. Does the Group expect a turnaround?

Answer (Mr. Jim Cheung) : The Management is reviewing the Office Automation segment and its product portfolios. Downsizing might be one of the options.