

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

RESUMPTION OF PRODUCTION AT SHANGHAI FACTORIES

The Board of Directors of CDW Holding Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to update shareholders on the status of production at the Group’s factories in Shanghai. The Group’s two factories located in Shanghai under its two wholly-owned subsidiaries, Crystal Display Components (Shanghai) Co., Limited (“**SHCD**”) and Tomoike Precision Machinery (Shanghai) Co., Limited (“**SHTP**”) had experienced temporary stoppages due to the Shanghai Municipal Government’s COVID-19 lockdown (the “**Shanghai Lockdown**”), which commenced on 1 April 2022.

As previously announced, the SHCD factory officially resumed its partial production on 9 May 2022 under a ‘closed loop’ manufacturing arrangement. Following the announcement to end COVID-19 lockdown by the Shanghai Municipal Government on 1 June 2022, both SHCD and SHTP factories have officially resumed production.

In Jiading district, where both SHCD and SHTP are located, there has been a normalisation of factory operations with no movement restrictions within the district. However, outward deliveries of goods to other provinces (“**Outward Logistics**”) are still subject to each destination’s local requirements, e.g. for drivers to provide 48 hours negative PCR test results and to remain in the vehicle cabin while goods are unloaded. Alternatively, Outward Logistics can be outsourced to logistics companies to handle. The delivery of raw materials to a factory (“**Inward Logistics**”) from suppliers or the port has returned to normal, with a permit being required.

The Group’s key customer has taken the initiative to have the backlog of orders in April and May for digital instrument panels for the automotive industry to be completed by September, on top of normal existing orders, including increasing production capacity. On the other hand, a major portion of the Office Automation business undertaken by SHTP has not received any instructions to date from customers to fulfill its April and May backlog orders, so these orders, might not be recovered. All customer visits to the two factories have been stopped for the time being, as these visits are still subject to quarantine.

The production stoppages at the Group’s factories are likely to have an impact on the Group’s performance for the financial year ending 31 December 2022 (“**FY2022**”) and the Group will update shareholders once the financial impact of the production stoppages can be determined, if any. The Group’s other factories in China, located in Dongguan and Wuxi, have not had any production stoppages to date.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. If in doubt as to the action they should take, shareholders and investors should consult their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

By Order of the Board

YOSHIKAWA Makoto
Chairman and Chief Executive Officer

27 June 2022