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WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED

威雅利電子(集團)有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong stock code: 854)

(Singapore stock code: BDR)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the following pages of the document which has been published by Willas-Array Electronics (Holdings) Limited (the “Company”) on the website of Singapore Exchange Securities Trading Limited on November 15, 2022.

For and on behalf of
Willas-Array Electronics (Holdings) Limited
Leung Chun Wah
Chairman and Non-executive Director

Hong Kong, November 15, 2022

As at the date of this announcement, the Board comprises one Non-executive Director, Leung Chun Wah (Chairman); three Executive Directors, namely Hon Kar Chun (Managing Director), Leung Hon Shing and Leung Chi Hang Daniel; and three Independent Non-executive Directors, namely Lim Lee Meng, Tang Wai Loong Kenneth and Tong Kai Cheong.

Interim Results Briefing

First 6 months ended September 30, 2022

Date: November 15, 2022

Disclaimer

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This presentation may contain forward-looking statements and/or financial information regarding Willas-Array’s future business, financial position and results of operations that involve risks and uncertainties. These forward-looking statements and/or financial information speak only as at the date of this presentation. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements and/or financial information as a result of a number of risks, uncertainties and assumptions. Investors are cautioned not to place undue reliance on these forward-looking statements and/or financial information, which are based on the current assumptions and beliefs of Willas-Array in light of the information currently available to it.

- Results Highlights
- Business Review

Results Highlights

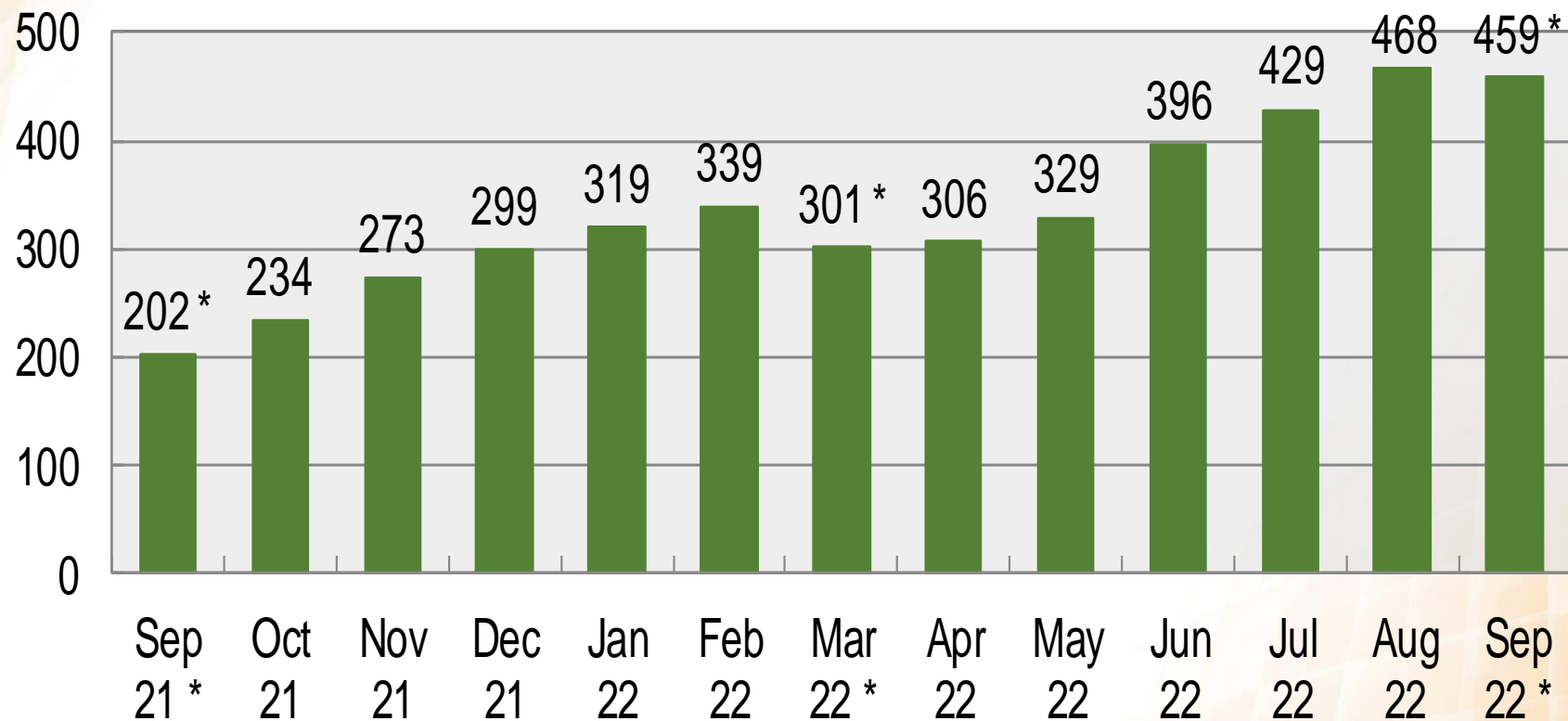
Profit And Loss

	1H FY2023 HK\$'M	1H FY2022 HK\$'M	Inc/(Dec) HK\$'M	% Change %
Turnover	1,782.8	1,785.9	(3.1)	-0.2%
EBITDA	38.8	71.1	(32.3)	-45.4%
Depreciation	(7.5)	(7.0)	0.5	6.7%
Finance costs	(14.8)	(8.7)	6.1	70.3%
Profit before tax	16.5	55.4	(38.9)	-70.1%
Income tax expense	(3.7)	(11.9)	(8.2)	-68.6%
Profit after tax	12.8	43.5	(30.7)	-70.5%
Basic EPS (HK cents)	14.78	51.09	(36.31)	-71.1%

Inventory Level

WILLAS-ARRAY™

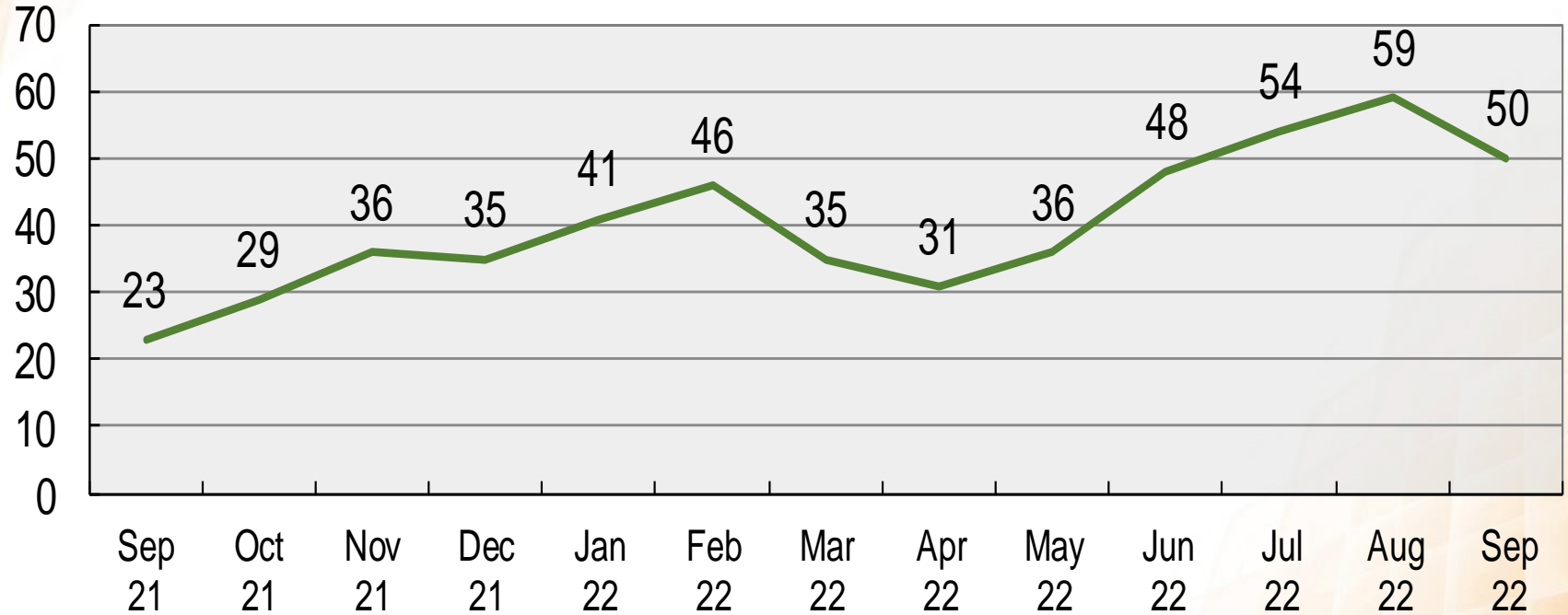
In HK\$'M



* Excluding Goods-in-Transit

Inventory Turnover Ratio

No. of days



Business Review

Business Review

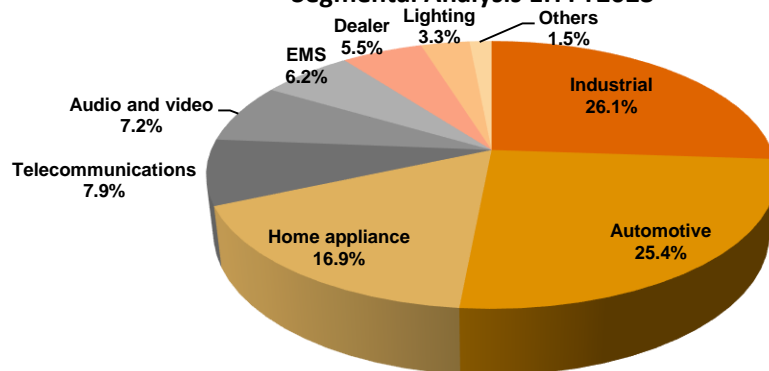
- Market Segment Review
- Snapshot of China Economy
- Update of Automotive and Home Appliance Market in China

Market Segment Review

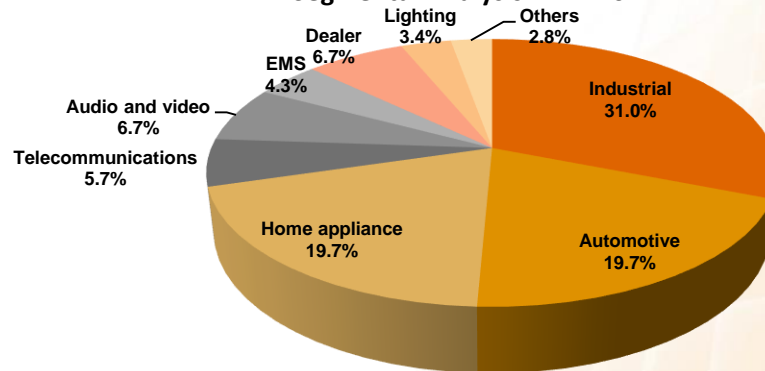
(in HK\$'000)

	1H FY2023			1H FY2022			Increase (Decrease)	
Turnover		%			%			%
Industrial	465,929	26.1%		553,720	31.0%		(87,791)	(15.9%)
Automotive	451,810	25.4%		350,817	19.7%		100,993	28.8%
Home appliance	301,890	16.9%		352,477	19.7%		(50,587)	(14.4%)
Telecommunications	140,485	7.9%		101,777	5.7%		38,708	38.0%
Audio and video	128,497	7.2%		120,165	6.7%		8,332	6.9%
EMS	110,895	6.2%		77,538	4.3%		33,357	43.0%
Dealer	97,026	5.5%		118,906	6.7%		(21,880)	(18.4%)
Lighting	59,373	3.3%		60,940	3.4%		(1,567)	(2.6%)
Others	26,940	1.5%		49,528	2.8%		(22,588)	(45.6%)
	1,782,845	100.0%		1,785,868	100.0%		(3,023)	(0.2%)

Segmental Analysis 1H FY2023



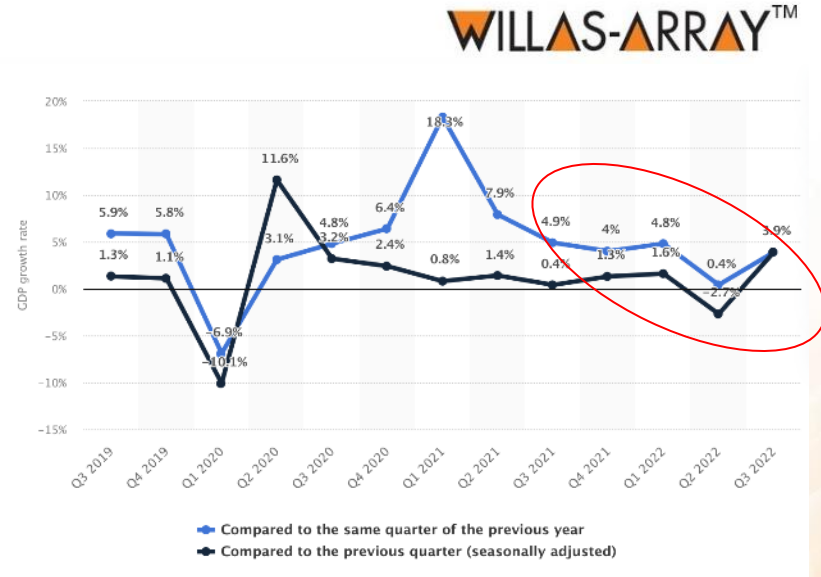
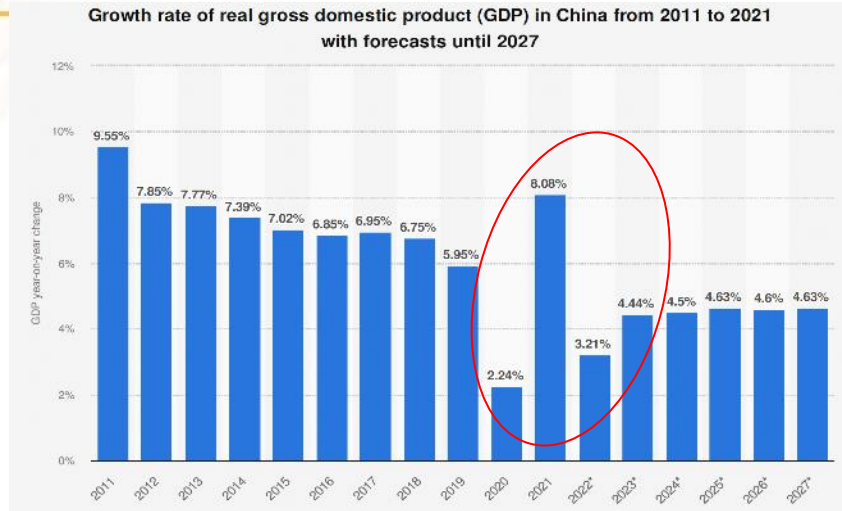
Segmental Analysis 1H FY2022



Business Review

- Market Segment Review
- **Snapshot of China Economy**
- Update of Automotive and Home Appliance Market in China

Snapshot of China Economy



2021

- China's year-on-year GDP growth 8.08% in 2021.

2022

- China's economy was negative growth (QoQ) and only 0.4% growth (YoY) in Q2/2022, and Q3/2022 only rebounded to 3.9%
- Forecast in 2022 was adjusted down to 3.21% versus the 5.6% forecast in the beginning of this year.
- The next 5 years forecast is at a low level under 5%, which show a significant slow down of economic activity in China

Business Review

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China – Sales of Automobiles in Sep 2022

Unit: 10000,
%

	Volume	Jan. — Sep.	MoM	YoY	YoY Jan. — Sep.
Cars	261.0	1947	9.5	25.7	4.4
Passenger Cars (PC)	233.2	1698.6	9.7	32.7	14.2
Cars	108.6	804.7	9.0	38.0	16.7
MPV	10.5	66.3	13.3	9.3	-7.8
SUV	111.0	804.0	9.4	30.5	15.0
Crossed Passenger Cars	3.1	23.6	44.5	29.3	-14.6
Commercial Vehicles (CV)	27.9	248.4	7.9	-12.5	-34.2
Buses	4.0	28.3	16.8	1.1	-23.9
Buses incomplete vehicles	0.1	0.7	8.1	-45.7	-38.4
Trucks	23.9	220.1	6.6	-14.4	-35.3
Semi-trailer	2.2	23.8	9.0	-11.5	-61.1
Trucks incomplete vehicles	2.0	21.0	9.8	-36.1	-61.5

- Total car sales in the first 9 months had only 4.4% growth, while the commercial vehicles dropped 34.2%, This further showed a slow down in economic activity in China
- With the support of government policy, the passenger car sales was able to keep a 14.2% growth, especially the New Energy Car

China – Sales of New Energy Vehicles in Sep 2022

Unit: 10000, %

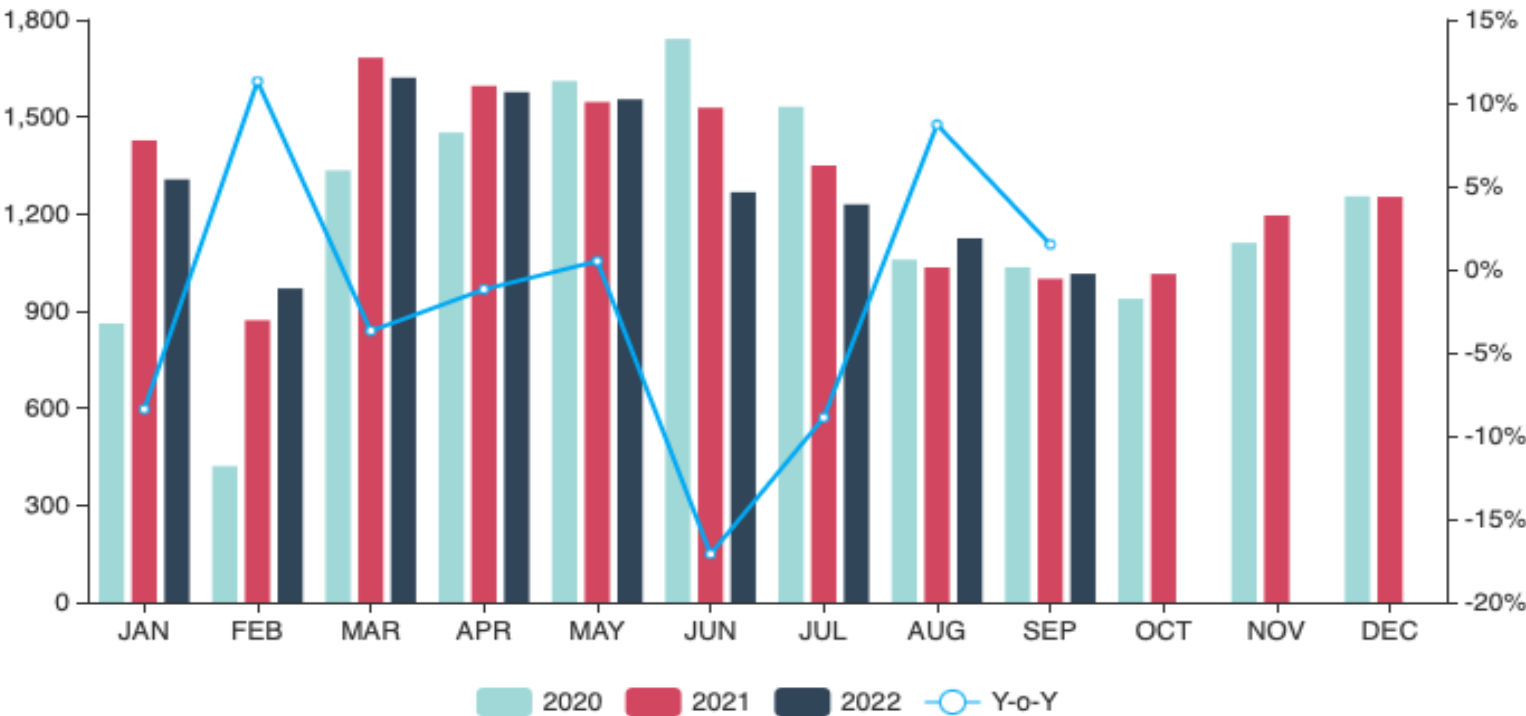
	Sep.	Jan. — Sep.	MoM	YoY	YoY Jan. — Sep.
NEVs	70.8	456.7	6.2	93.9	109.9
NEV PCs	67.5	436.3	5.9	93.8	111.5
BEVs	50.6	337.8	2.8	76.1	98.9
PHEVs	16.8	98.5	16.8	177.6	169.8
NEV CVs	3.3	20.4	11.9	95.9	80.1
BEVs	3.2	19.9	10.8	96.2	81.1
PHEVs	0.04	0.2	277.3	159.6	16.5

- **Support from government and put more focus on the carbon neutrality**
- **In 9 months, the YoY growth was over 100%, still keep at high speed.**
- **NEV has reached 25% share in passenger car in first 9 months, and close to 30% in Sep 2022**

China Air-Conditioner Production

Monthly China's Household AC Production(Ten Thousand Units)

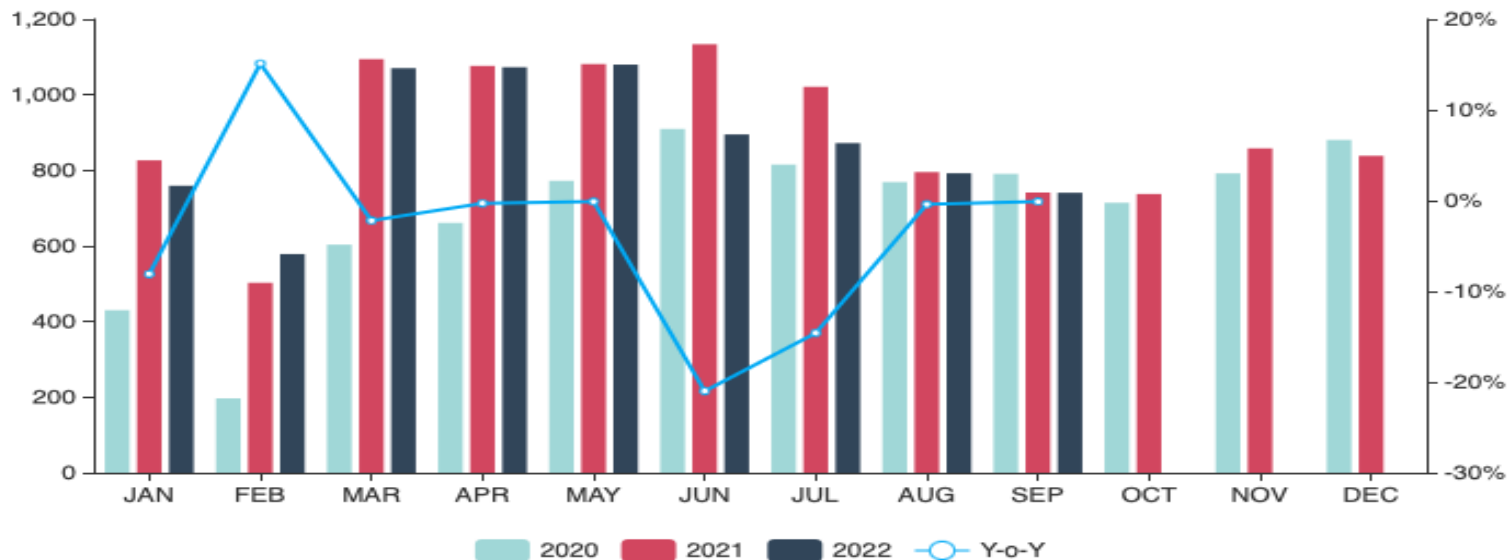
Data Source : 产业在线 (ChinaIOL.com)



China Air-Conditioner Production (Inverter-type)

Monthly China's Household AC(Variable) Production(Ten Thousand Units)

Data Source : 产业在线 (ChinaOL.com)

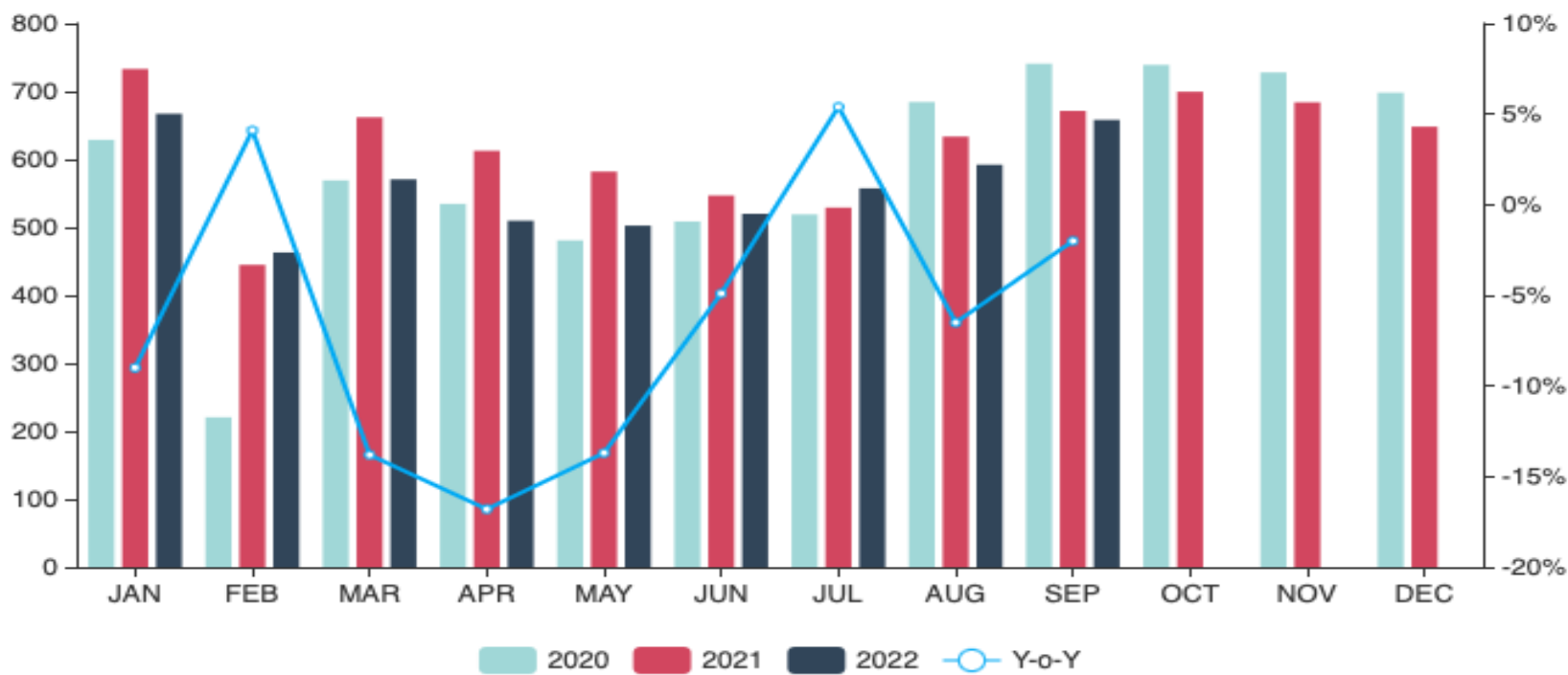


➤ Inverter type cannot maintain a strong growth

China Washing Machine Production

Monthly China's Washing Machine Production(Ten Thousand Units)

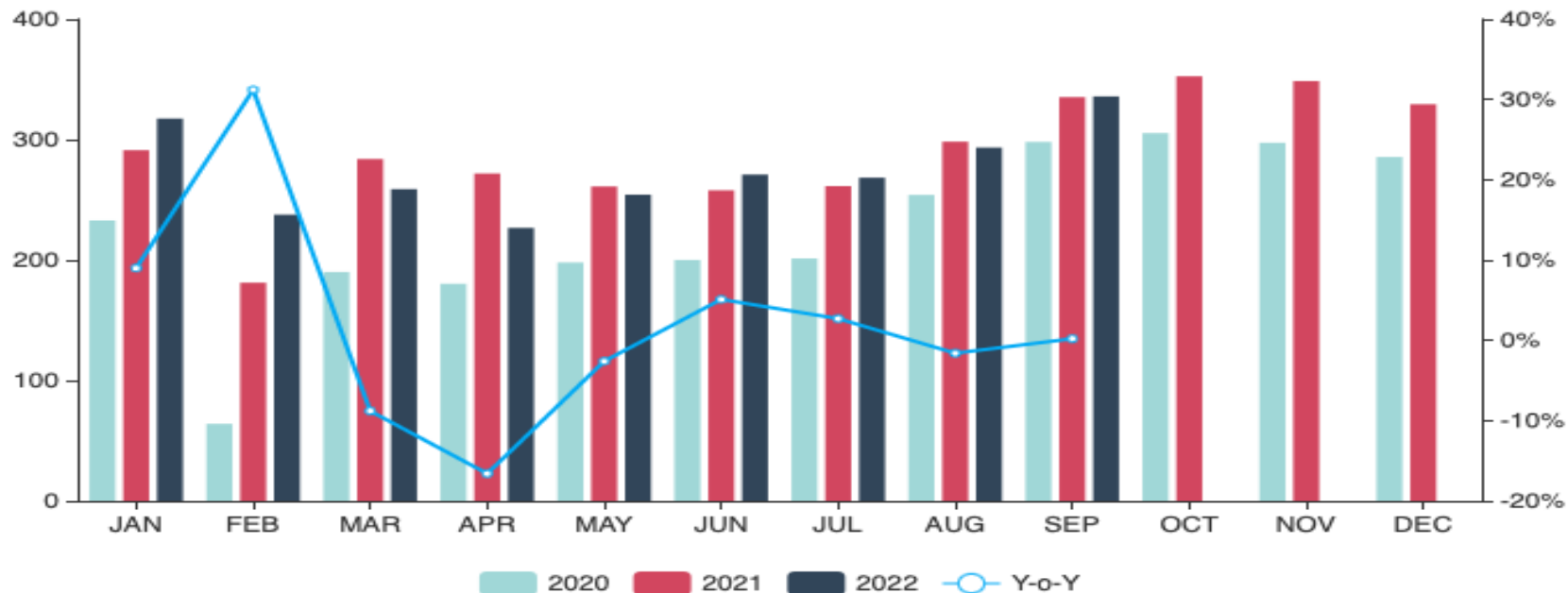
Data Source : 产业在线 (ChinaOL.com)



China Washing Machine Production (DC Inverter-type)

Monthly China's Washing Machine(DC Variable-Freq.) Sales(Ten Thousand Units)

Data Source : 产业在线 (ChinaIOL.com)



➤ Similar situation with the A/C market, growth is slowed down

Thank you !