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WILLAS-ARRAY

威雅利電子(集團)有限公司

WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Hong Kong stock code: 854)

(Singapore stock code: W12)

VOLUNTARY LIQUIDATION OF SUBSIDIARY

This announcement is made by Willas-Array Electronics (Holdings) Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 704(21) of the Listing Manual of Singapore Exchange Securities Trading Limited.

The board of directors of the Company (the “**Board**”) wishes to announce that 慧能思達科技(成都)有限公司 (translated as “Valence Tech (Chengdu) Limited”) (the “**Subsidiary**”), an indirect subsidiary of the Company in which the Company holds 60% equity interest, has been placed under voluntary liquidation by its sole shareholder, Valence Technology Limited (a subsidiary of the Company) on a solvent basis. The liquidation committee was appointed on 9 December, 2014.

The Subsidiary was incorporated in The People's Republic of China on 11 December, 2009 and has a registered and paid-up share capital of HK\$2,000,000. The principal activity of the Subsidiary was the provision of technical development services for electronic products; these products are distributed by the Group. The Subsidiary does not conduct any manufacturing or sales activities.

The sole shareholder of the Subsidiary has resolved to appoint a liquidation committee to wind up the Subsidiary as it no longer serves its business purposes.

In accordance with the laws and regulations of The People's Republic of China, specifically, Section 10 of the PRC Company Law, relevant provisions of the PRC Law Concerning Wholly Foreign-owned Enterprises and its Implementation Regulations, after the debts and liabilities of the Subsidiary are settled, the remaining assets of the Subsidiary will be distributed to its sole shareholder.

The Company expects the voluntary liquidation process to be completed in the second or third quarter of 2015.

The voluntary liquidation of the Subsidiary will not have any material effect on the Company's financial situation or the business or affairs of the Group, nor will it have any material effect on the earnings per share and net tangible asset value per share of the Company based on the consolidated accounts of the Group for the financial year ended 31 March, 2014. The Company's banking facilities will not be affected by the voluntary liquidation of the Subsidiary, nor will such liquidation affect the Company's future direction or financial position.

By Order of the Board
Willas-Array Electronics (Holdings) Limited
Leung Chun Wah
Chairman and Executive Director

Hong Kong/Singapore, 9 December, 2014

As at the date of this announcement, the Board comprises four Executive Directors, namely Leung Chun Wah (Chairman), Kwok Chan Cheung (Deputy Chairman), Hon Kar Chun (Managing Director) and Leung Hon Shing; and three Independent Non-executive Directors, namely Jovenal R. Santiago, Wong Kwan Seng, Robert and Iu Po Chan, Eugene.