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Willas-Array lodges Offer Information Statement in relation to its 1-for-5 Rights Issue exercise

- *The closing date for the acceptance of and payment of Rights Shares is 31 March 2011*

SINGAPORE – 15 March 2011 – Willas-Array Electronics (Holdings) Limited (“Willas-Array” or the “Company”), one of the largest Hong Kong-based distributors of electronics components in the Asia Pacific region, has lodged its Offer Information Statement (“OIS”) with the Monetary Authority of Singapore (“MAS”) in relation to the Company's one-for-five Rights Issue.

The renounceable non-underwritten Rights Issue of up to 68,354,200 Rights Shares will raise between S\$5.9 million to S\$8.0 million in net proceeds, which will be used to finance the Company and its subsidiaries' (the "Group") business expansion and for the Group's general working capital purposes.

The Issue Price of S\$0.12 represents (i) a discount of approximately 35.1% to the closing price of S\$0.185 per Share on the SGX-ST on 26 January 2011, being the last trading day of the Shares on the SGX-ST prior to the announcement of the Rights Issue; and (ii) a discount of approximately 31.4% over the last transacted price of S\$0.175 per Share on the SGX-ST as at 9 March 2011, being the latest practicable date prior to the printing of the OIS.

Entitled Shareholders may accept his/her provisional allotment of Rights Shares, whether in full or in part, and (if applicable) apply for Excess Rights Shares either by using the appropriate application form or by way of an electronic application form through an ATM of a participating bank, per the instructions set out in the OIS.

The closing date for the acceptance of and payment of Rights Shares, as well as excess application and payment is 31 March 2011 at 5.00pm (or 9.30pm for electronic applications). Shareholders who choose to accept part of the provisional allotment of Rights Shares may trade the balance on the SGX-ST during the provisional allotment trading period, from 17 March 2011 to 25 March 2011. Listing of the Rights Shares on the SGX-ST is targeted to be on 11 April 2011.

The provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require.

To demonstrate their confidence in the Rights Issue and to show their commitment to the Group, three Undertaking Shareholders who collectively hold 41.88% of Willas-Array's issued share capital have each irrevocably undertaken to subscribe for their respective full provisional allotment of Rights Shares as well as excess Rights Shares. The three Undertaking Shareholders are Max Power Assets Limited, Global Success International Limited and Optimist Profits Limited.

Intended Use of Proceeds

Maximum Subscription Scenario			
<i>Intended Use</i>	<i>Approximate amount (S\$ million)</i>	<i>Per S\$1 of proceeds</i>	<i>As a percentage of the total gross proceeds</i>
Work capital purposes	7.0	0.86	86%
Business expansion	1.0	0.12	12%
Expenses incurred in connection with the Rights Issue	0.2	0.02	2%
Total	8.2	1.00	100%

Minimum Subscription Scenario			
<i>Intended Use</i>	<i>Approximate amount (S\$ million)</i>	<i>Per S\$1 of proceeds</i>	<i>As a percentage of the total gross proceeds</i>
Work capital purposes	4.9	0.81	81%
Business expansion	1.0	0.16	16%
Expenses incurred in connection with the Rights Issue	0.2	0.03	3%
Total	6.1	1.00	100%

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

- (a) DBS Bank Ltd. (including POSB);
- (b) Oversea-Chinese Banking Corporation Limited; and
- (c) United Overseas Bank Limited and its Subsidiary, Far Eastern Bank Limited.

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About Willas-Array Electronics (Holdings) Limited

Established in the early 1980s and listed on the Main Board of the Singapore Exchange in 2001, Hong Kong-based Willas-Array is principally engaged in the distribution of active and passive components for use in the audio/video, telecommunications, industrial, consumer and computer segments. Backed by long-standing relationships with over 20 reputable Principals, Willas-Array carries a wide product mix, distributing and marketing in excess of 10,000 product items which cater to over 2,000 active customers. Its main markets are in Hong Kong and China.

In China, Willas-Array has established a network of offices strategically located in Beijing, Chengdu, Guangzhou, Qingdao, Shanghai, Shenzhen, Tianjin, Xiamen, and Zhongshan. It has a subsidiary in the Free Trade Zone in Shanghai which serves as a logistics centre for the Group in North China.

Willas-Array also has a wholly-owned subsidiary in Taipei to tap on the growing number of large electronic manufacturers in Taiwan doing business in China.

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