

# 威雅利电子(集团)有限公司 Willas-Array Electronics (Holdings) Limited

30<sup>th</sup>  
Anniversary



**FY 2012 Results Briefing**

**May 31, 2012**

**WILLAS-ARRAY™**

# Contents

- Corporate Profile
- Results Highlights
- Business Review



# Corporate Profile

## Willas-Array Electronics

- **One of the largest HK-based electronics company involved in the global sourcing and regional distribution of electronics components**
- **Listed on SGX on July 2, 2001**
- **Provides quality and sustainable shareholders' value by leveraging on its**
  - Long-standing and excellent capabilities in sales and engineering
  - Stable and well-developed sourcing relationships with principals of leading global brands
  - Knowledge and strategic investments in China

# Corporate Profile

## Willas-Array Electronics

- **Represents leading global semiconductor brands such as**
  - STMicroelectronics
  - Murata
  - NJRC
  - Toshiba
  - Vishay
  - AKM
- **Sells to a growing pool of over 2,000 clients in Hong Kong, China and Taiwan**





# Business Structure

## Willas-Array Electronics (Holdings) Limited



	Sales & Marketing	Total Staff
Hong Kong	79	211
Mainland China	154	257
Taiwan	15	22
<b>Total</b>	<b>248</b>	<b>490</b>

As of 31 March 2012

# Products and Services - Our Principals



# 威雅利电子(集团)有限公司

## Willas-Array Electronics (Holdings) Limited



### Results Highlights

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# Investment Merits

## Market insight and strong fundamentals

- Leading components distributor with a wide product range for different sectors
- Extensive and growing network in China
- Long lasting relationship with supplies, customers and banks

## Sound management policies

- Strict financial discipline and tight capital management

## Demonstrated resilience

- Profitable since established in 1981 (except in FY09)

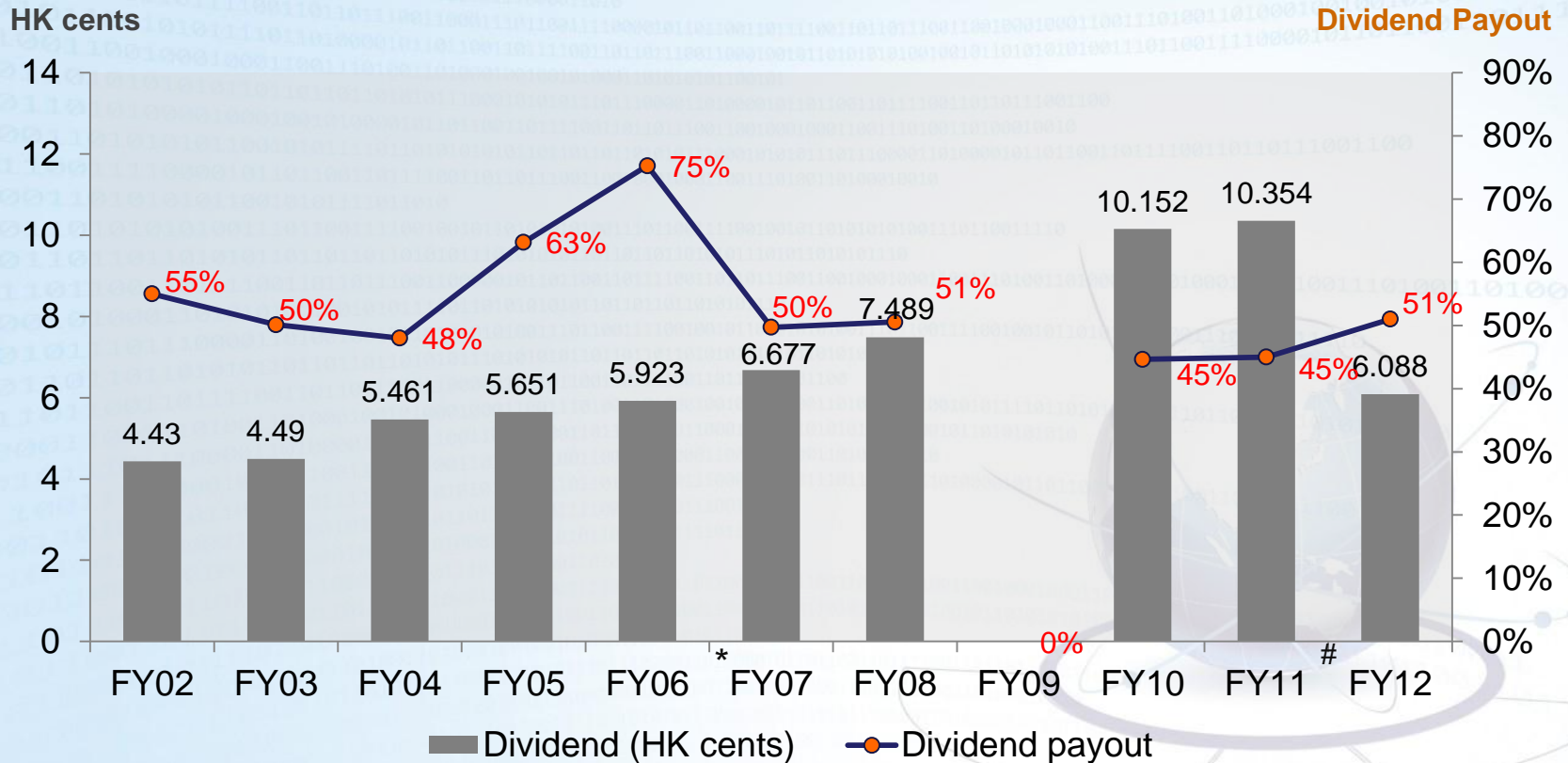
## Good dividend payouts and attractive dividend yield

- At least 45% payout since listing
- Dividend yield of 10.4% as at 29 May 2012
- Listed by Bloomberg Data as one of the top 10 SGX-listed companies in terms of regular dividend payouts (as at 20 April 2012)





# Dividend & Dividend Payout



\* FY07's dividend payout excludes special dividend of 1.541 HK cents

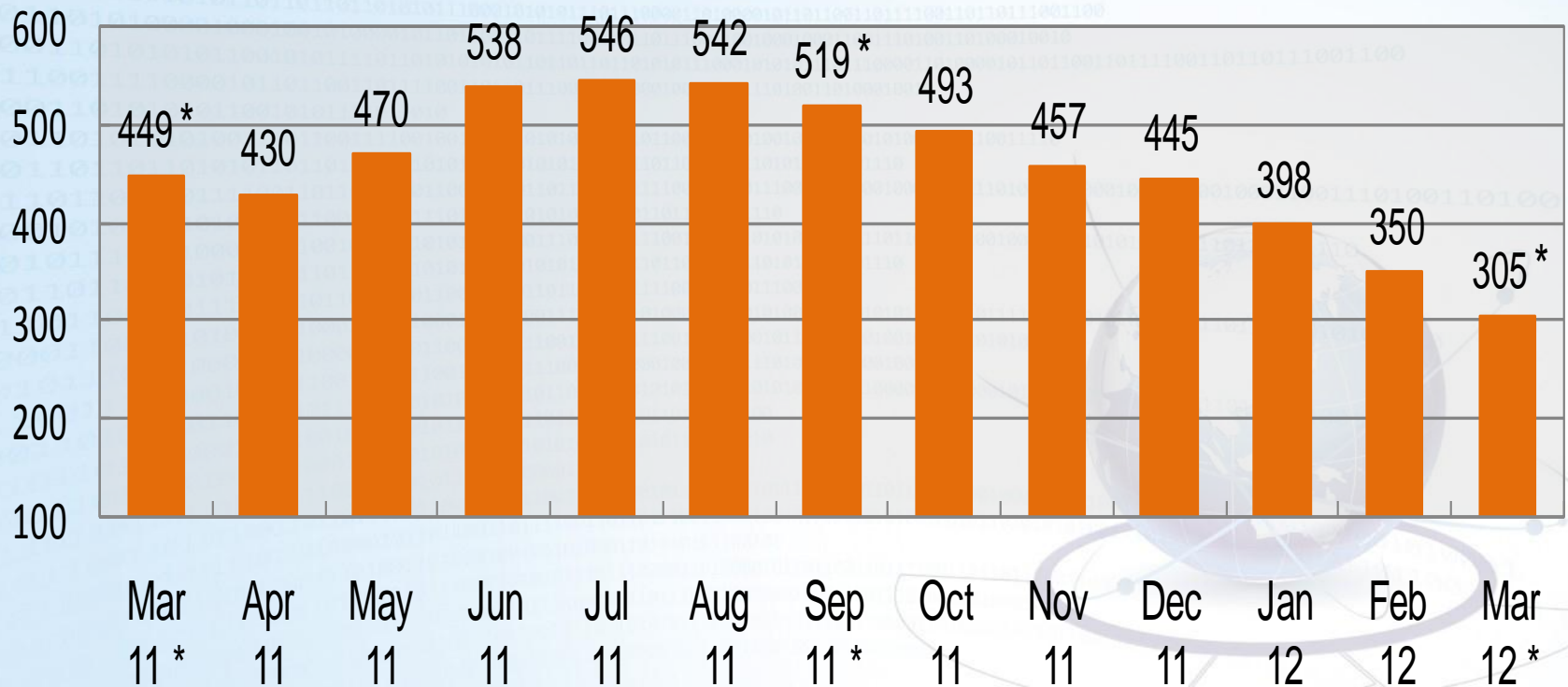
# FY12's dividend payout excludes special dividend of 1.826 HK cents

# Profit & Loss

HK\$'M	FY 12	FY 11	% Change
Turnover	3,262.1	3,797.1	(14.1%)
EBITDA	83.1	132.2	(37.1%)
Depreciation & Amortization	(11.7)	(8.6)	35.8%
Finance costs	(15.5)	(13.6)	14.7%
Profit before tax	55.9	110.0	(49.2%)
Income tax expense	(13.1)	(22.2)	(40.9%)
Profit after tax	42.8	87.8	(51.3%)
Non-controlling interests	1.7	(1.8)	(196.7%)
<b>Profit attributable to shareholders</b>	<b>44.5</b>	<b>86.0</b>	<b>(48.2%)</b>
EPS (HK cents)	11.99	26.82	(55.3%)

# Inventory Level

In HK\$'M

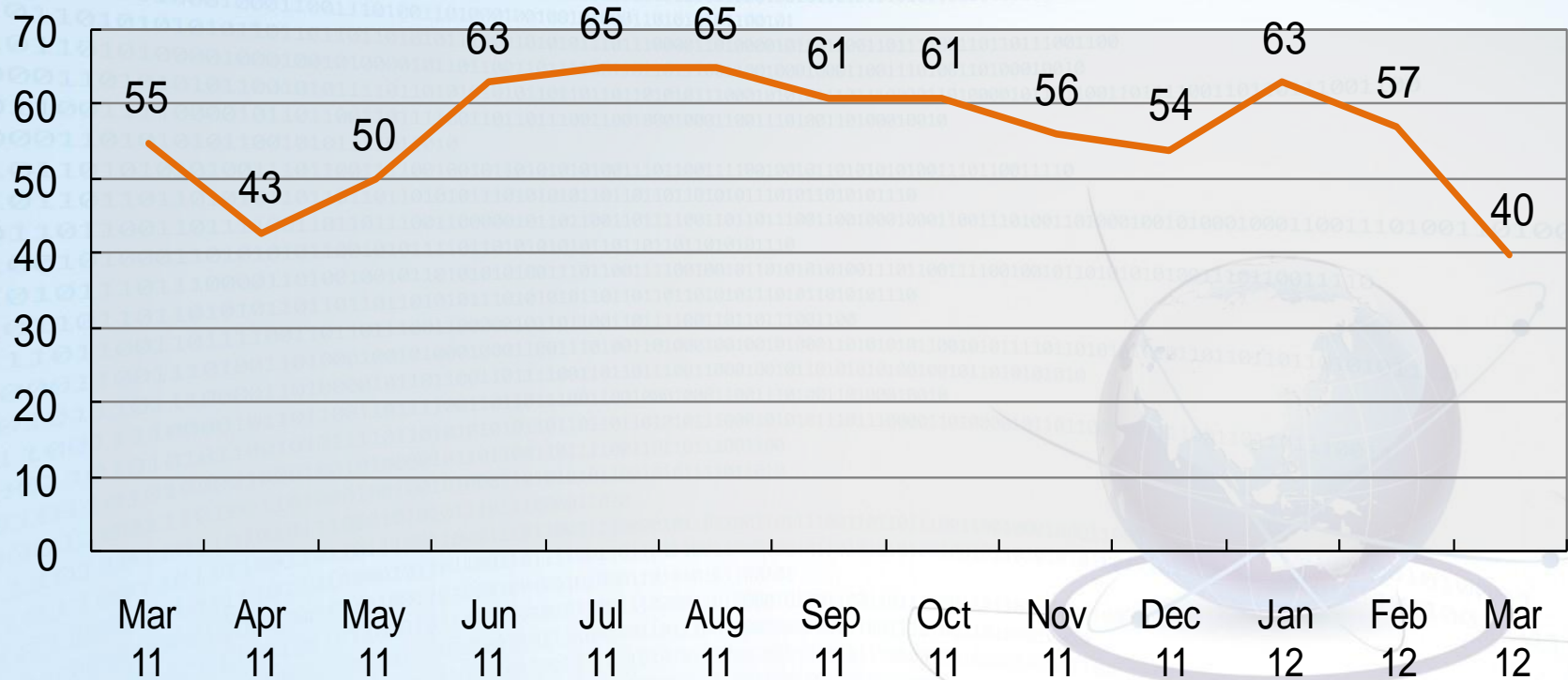


\* Excluding Goods-in-Transit



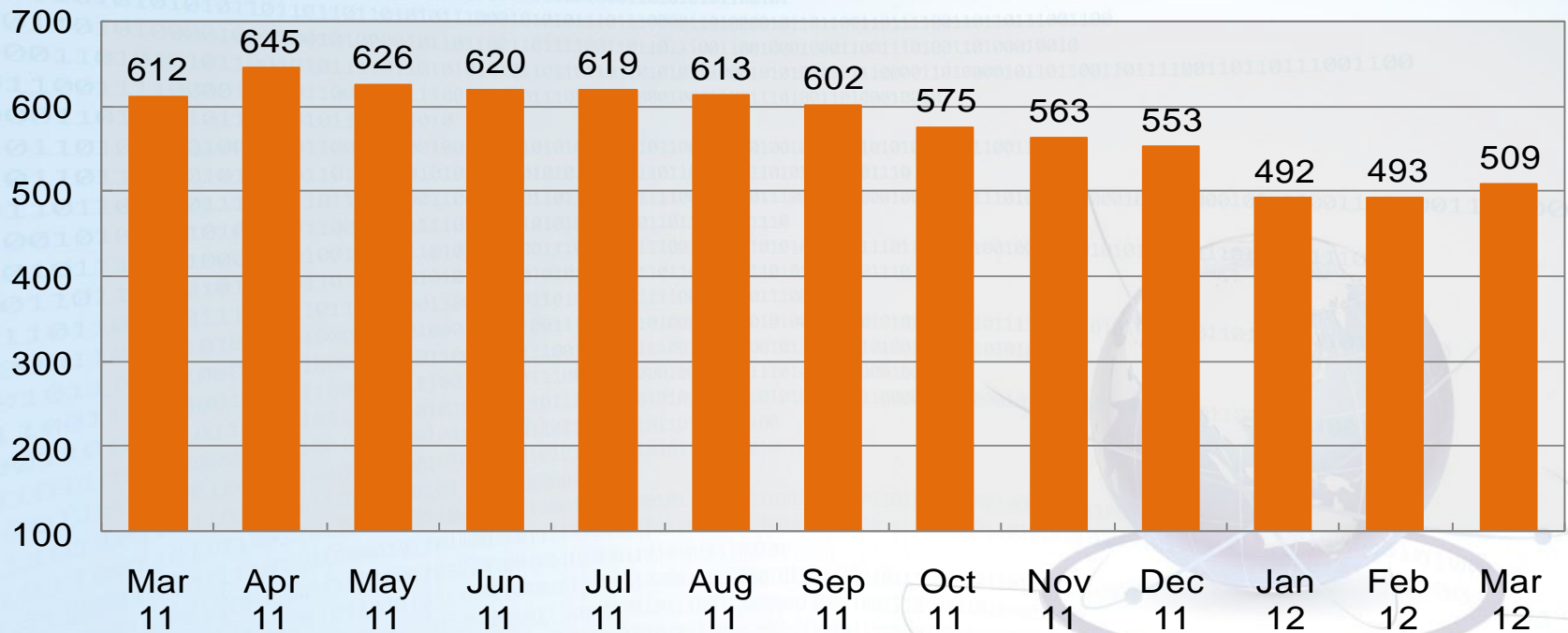
# Inventory Turnover Ratio

No. of days



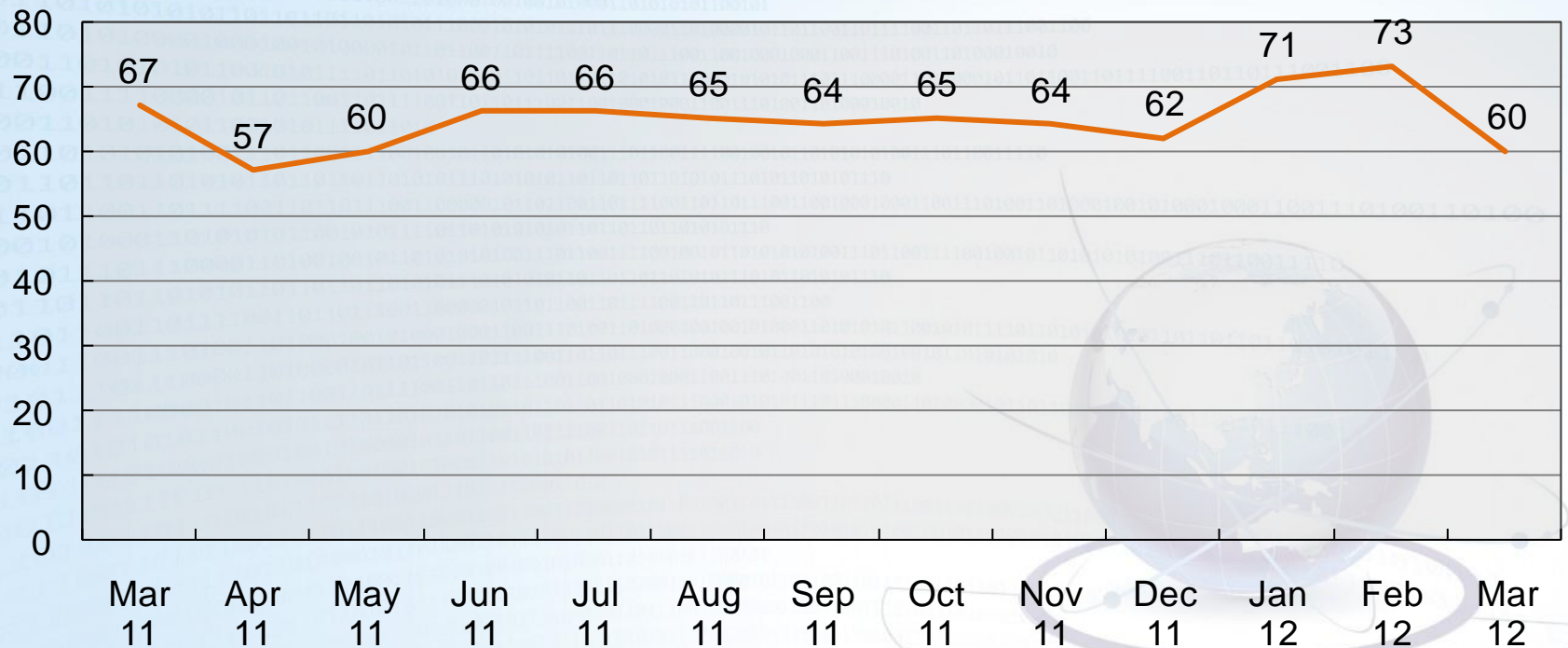
# Net Accounts Receivable

In HK\$'M



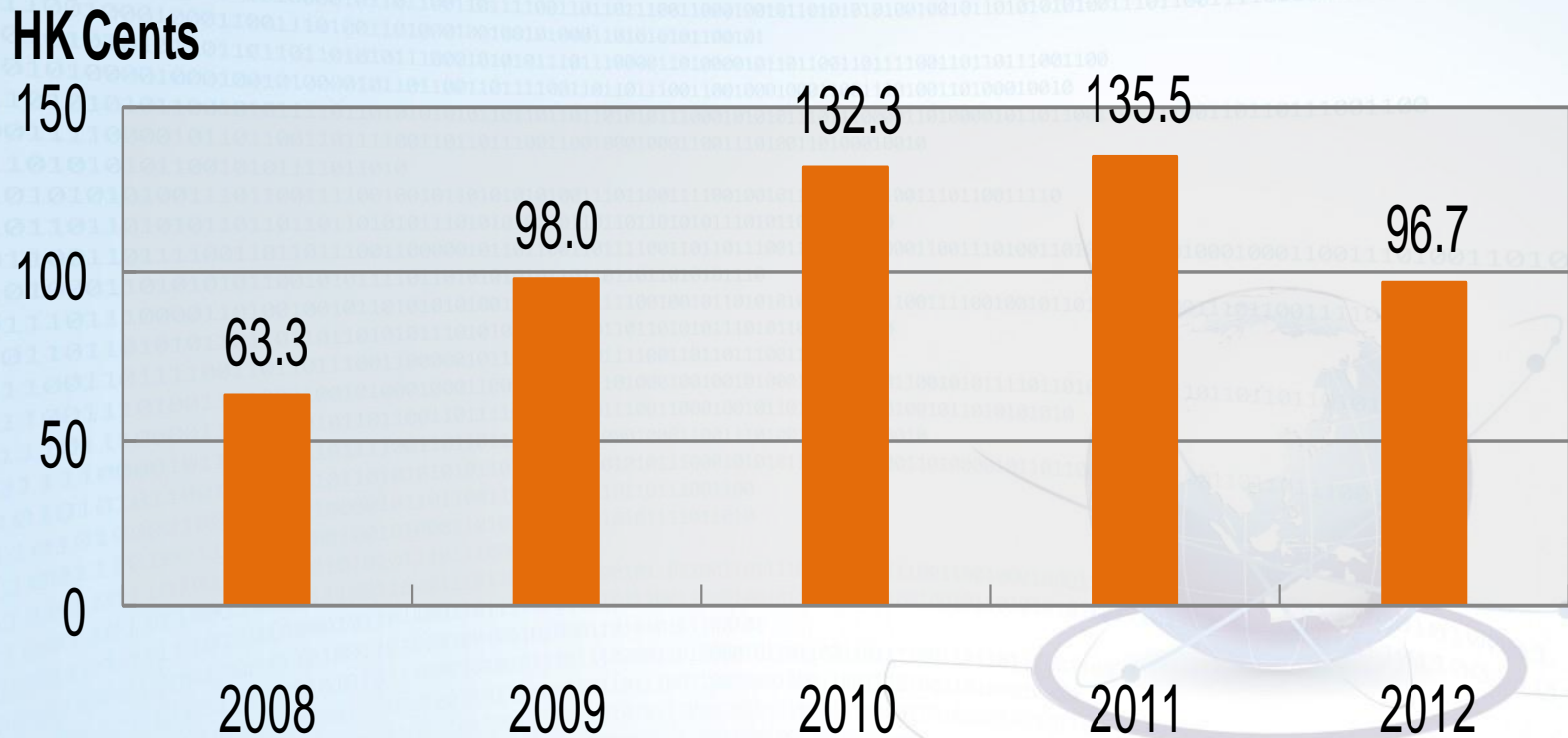
# Debtors Turnover Ratio

No. of days





# Cash Per Share



# Top 10 Customers

FY 2012 Ranking	Name of Customer	FY 2011 Ranking
1	Simatelex Group	5
2	Hon Hai Group	1
3	Truly Group	4
4	Tianyu Group	6
5	Handle Group	8
6	Honor Tone Limited	19
7	Yuh Sin Electric Co. Ltd.	14
8	Suncom Group	15
9	Haier Group	12
10	Arrow Group	17

# Top 10 Suppliers

FY 2012 Ranking	Name of Supplier	FY 2011 Ranking
1	STM	1
2	Murata	3
3	AKM	2
4	Toshiba	4
5	Sony	7
6	NJRC	5
7	Intersil	8
8	Vishay	6
9	Microchip	9
10	NEC	10



# 威雅利电子(集团)有限公司

## Willas-Array Electronics (Holdings) Limited



### Business Review

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# Content

## 1. Review and Prospect

1.1. Macroeconomic Review

1.2. Performance Review

1.3. Prospects in the China Market

## 2. Capture the Market Potential – An overview

2.1. Energy Saving Home Appliances

2.2. Green Industry

- Inverter

- LED Lighting

2.3. Internet of Things



# 1.1. Macroeconomic Review

- Natural Disasters that affected the Semiconductors Supply Chain in 2011
  - Japan Earthquake, Tsunami & Nuclear Threat (March 2011)
  - Thailand Flooding (Jul 2011 to Jan 2012)
- Weak and Unstable Economic Environment in USA and European Countries, expected to continue
- Slow down in China Economy



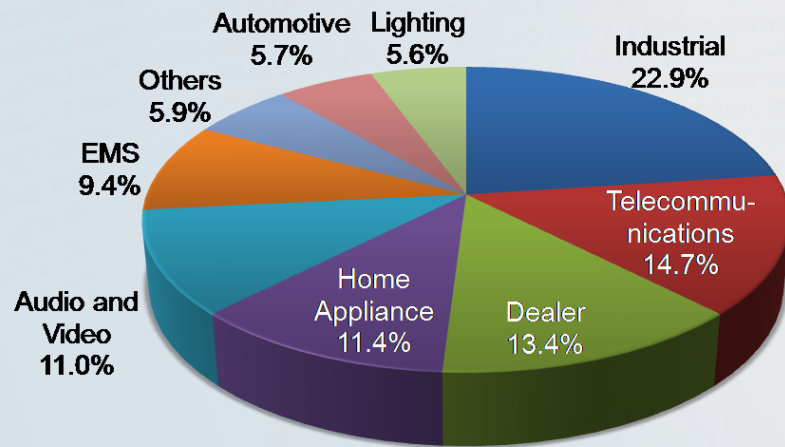


# 1.2. Performance Review

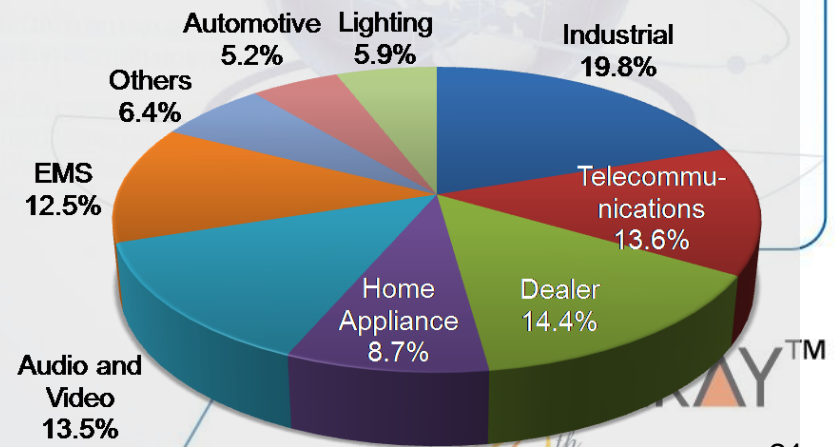
(in HK\$'000)

	FY 2012		FY 2011		Increase (Decrease)	
Turnover		%		%		%
Industrial	745,923	22.9%	750,937	19.8%	(5,014)	(0.7%)
Telecommunications	478,318	14.7%	517,140	13.6%	(38,822)	(7.5%)
Dealer	439,722	13.4%	549,027	14.4%	(109,305)	(19.9%)
Home Appliance	371,663	11.4%	332,160	8.7%	39,503	11.9%
Audio and Video	359,114	11.0%	512,583	13.5%	(153,469)	(29.9%)
EMS	306,342	9.4%	473,168	12.5%	(166,826)	(35.3%)
Others	191,861	5.9%	240,888	6.4%	(49,027)	(20.4%)
Automotive	187,632	5.7%	196,681	5.2%	(9,049)	(4.6%)
Lighting	181,481	5.6%	224,536	5.9%	(43,055)	(19.2%)
	<b>3,262,056</b>	<b>100.0%</b>	<b>3,797,120</b>	<b>100.0%</b>	<b>(535,064)</b>	<b>(14.1%)</b>

Segmental Analysis for 2012



Segmental Analysis for 2011





# 1.3. Prospects in the China Market

- China Government Subsidy Plan for energy-saving home appliances
  - **Total RMB36.3 billion (\$5.7 billion)**
  - **Boost sales by RMB200-250 billion, equivalent to 10% growth in 2012**
- Stable Growth of China Automotive Semiconductor Market
  - **To reach US\$4.2 billion in 2012, up from US\$3.6 billion in 2010, and expected to grow at CAGR of 11% to reach US\$6.2 billion in 2016**  
(Source: iSupply)
- Rapid Growth of Smart Phone Market
  - **By the end of 2015, China is forecast to ship 111.6 million smartphones, based on a CAGR of 25.9% from 2010** (Source: iSupply)
- Overall Market Recovery for Stable China Economy
  - **China GDP growth target to 7.5% by 2012**
  - **China 12th Five-year Plan aimed at an average annual growth rate of 7% between 2011 and 2015**

## 2. Capture the Market Potential – An overview

Energy saving  
home appliances

Our  
strategies to  
outperform  
the market

Green Industry  
- Inverter  
- LED lighting

Developments in  
WIFI  
connectivity


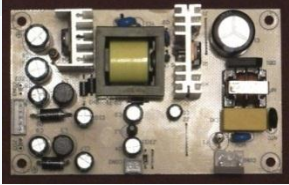
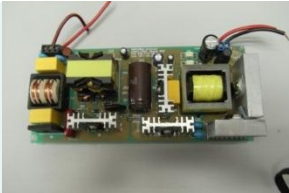
## 2. Capture the Market Potential

### 2.1. Energy-Saving Home Appliances

- These include **air conditioners, flat-panel television sets, refrigerators and water heaters** that meet energy-saving standards.
- This will benefit consumers and companies, while expanding domestic demand and boosting energy conservation.
- The old-for-new subsidy and energy-saving subsidy expired in 2011 and the rural home appliance subsidy will come to an end in January 2012.

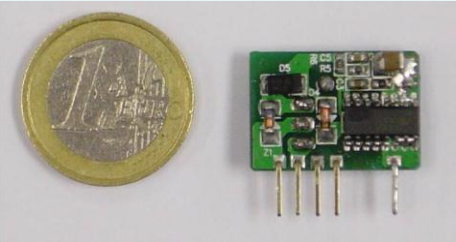



# 2.1. Home Appliances – Solutions

Solutions		Rating
	<p><b>Energy Star V2.0 Level V , SMPS</b></p>	<ul style="list-style-type: none"> <li>● AC 85 – 300V</li> <li>● 15W</li> <li>● Efficiency &gt; 75%</li> <li>● Standby &lt; 0.05W</li> </ul>
	<p><b>Multi-output SMPS</b></p>	<ul style="list-style-type: none"> <li>● 16W – 23W</li> <li>● Efficiency &gt; 78%</li> <li>● Standby &lt; 0.3</li> </ul>
	<p><b>Multi-output SMPS (&gt;60W)</b></p>	<ul style="list-style-type: none"> <li>● 90W</li> <li>● Efficiency &gt; 88%</li> <li>● Standby &lt; 0.3W</li> <li>● PF &gt; 0.95</li> </ul>



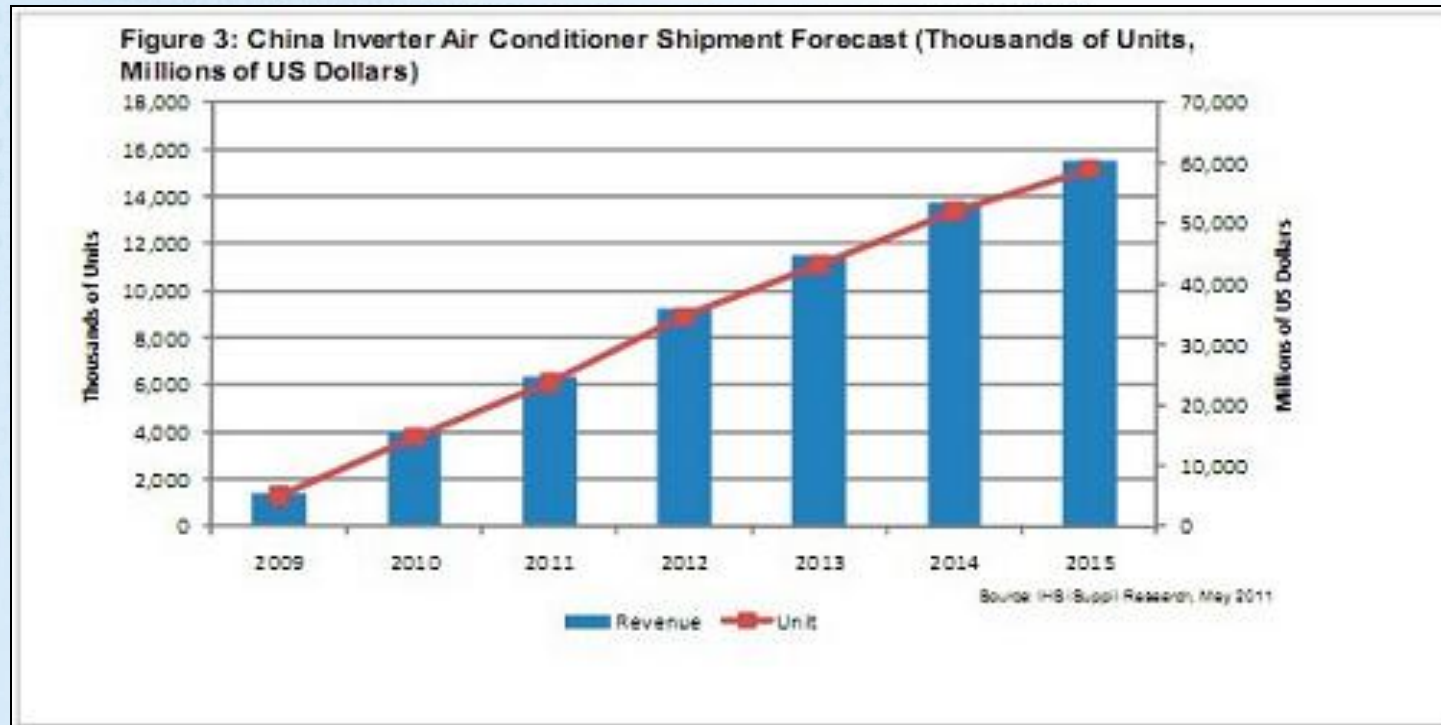
# 2.1. Home Appliances – Solutions

Solutions		Rating
	<b>Home Appliance compact standby power supply ( non isolated )</b>	<ul style="list-style-type: none"><li>● AC 90 - 264V , 1.1W</li><li>● Efficiency &gt; 72%</li><li>● Standby &lt; 0.18W</li><li>● DC12V 50mA + DC5V 100mA</li></ul>
	<b>Home appliance Green standby power supply ( isolated &amp; no opto-coupler )</b>	<ul style="list-style-type: none"><li>● AC 90 - 264V</li><li>● Efficiency &gt; 83%</li><li>● Standby &lt; 0.12W</li><li>● DC12V 5W</li></ul>

# 2. Capture the Market Potential

## 2.2. Green Industries

- Inverter





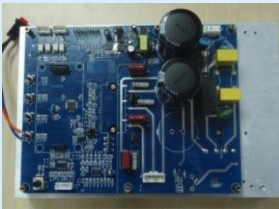
## 2.2. Inverter – Brushless DC Motor (BLDC)

### Advantages of BLDC

- High efficiency
- Long Life time
- Quiet
- Small size (Less material cost)



## 2.2. Inverter – BLDC Motor Solutions

Solutions		Applications
	500W@220V	<p>White Goods</p> <ul style="list-style-type: none"><li>•Washing machine (direct drive drum / Washing)</li><li>•Inverter refrigerator</li><li>•Inverter air conditioner (outdoor fan)</li></ul>
	500W@220V IPM	<p>Small Household appliances</p> <ul style="list-style-type: none"><li>•Mixer</li><li>•Commercial Soymilk</li><li>•Kitchen appliances (range hood)</li></ul>
	1500W@220V IPM	<p>Industrial</p> <ul style="list-style-type: none"><li>•Sewing / embroidery machines</li><li>•Hand-held power tools</li><li>•Converter/inverter</li><li>•Industrial fans</li></ul>



## 2. Capture the Market Potential

### 2.2. Green Industries

- LED Lighting



- China forecast to reach US\$6.9 billion next year on its way to US\$11.1 billion by 2015, equivalent to a 5-year CAGR of 17.7%  
[Source: IHSiSuppli]



## 2.2. LED – New Suppliers

Principal	Country	Since	Products
LG INNOTEK 	Korea	Mar 2012	<ul style="list-style-type: none"> <li>• High-power LED</li> <li>• LED module COB</li> <li>• MCP LED</li> </ul>
SMC LED 	HK China	Mar 2012	<ul style="list-style-type: none"> <li>• High-power LED</li> <li>• HV LED</li> <li>• LED Module</li> </ul>

## 2.2. LED Lighting – Total Solutions

Solutions		Rating
 	<p>E27 LED Light Bulb &gt; Driver + LED</p>	<ul style="list-style-type: none"> <li>• AC 100 - 240V ,3 - 5W</li> <li>• Efficiency &gt; 80%</li> </ul>
 	<p>PAR30 LED light bulb &gt; Driver + LED</p>	<ul style="list-style-type: none"> <li>• Input AC 90 - 264V</li> <li>• Output DC 13.5V 700mA</li> <li>• Efficiency &gt; 78%</li> <li>• PF &gt; 0.94</li> </ul>
 	<p>Triac dimmable E27 LED light bulb &gt; Driver + LED</p>	<ul style="list-style-type: none"> <li>• AC 110 / 230V , 4 - 7W</li> <li>• Efficiency &gt; 70%</li> <li>• PF &gt; 0.9</li> </ul>

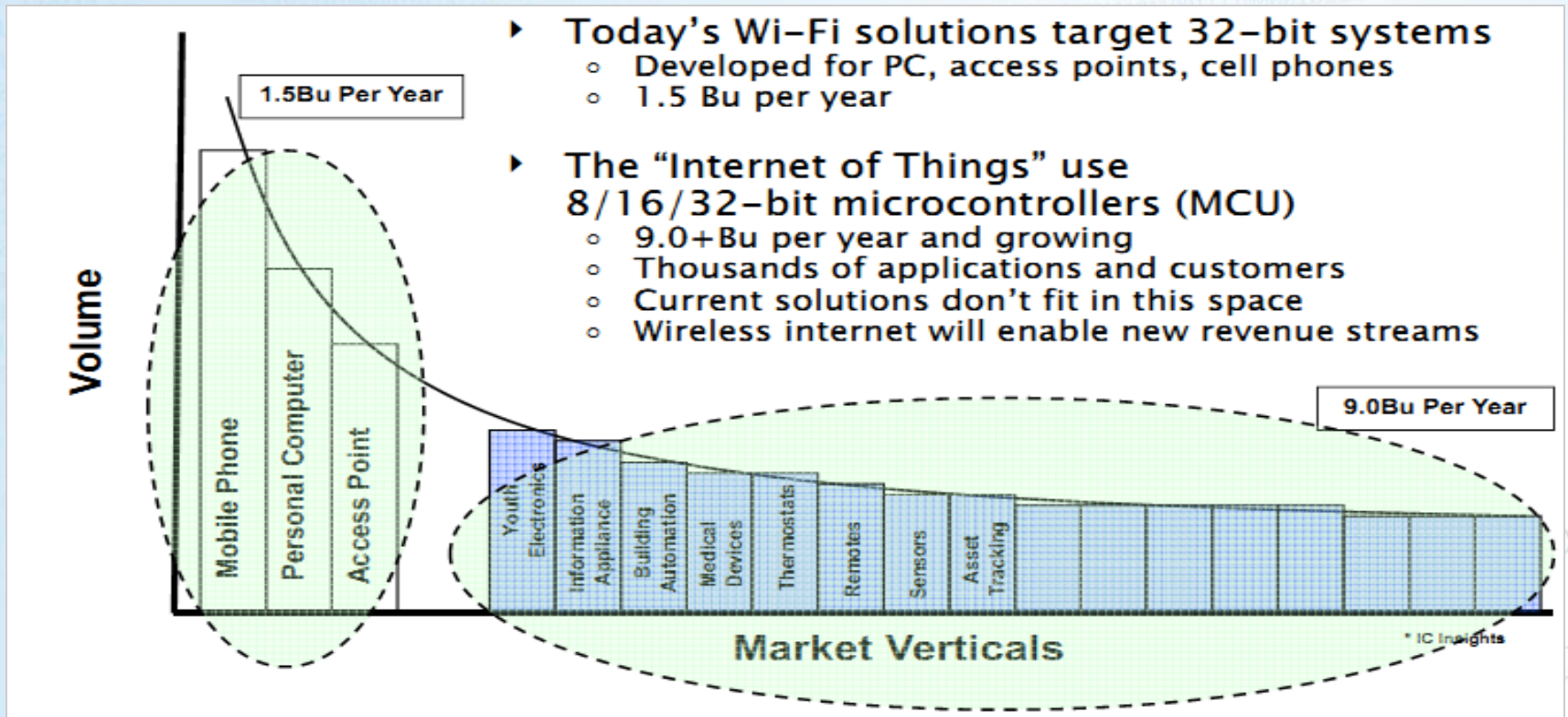
## 2.2. LED Lighting – Total Solutions

Solutions		Rating
	LED lighting tube(T5) > driver + LED	<ul style="list-style-type: none"><li>• Vin : AC90 - 265V</li><li>• Rated output : DC51V370mA 19W</li><li>• PF : 0.9 min.</li><li>• Efficiency : 80% min.</li><li>• EMI : in acc. to EN55022 class B / UL8750 - 2009</li></ul>
	LED street lamp > driver + LED	<ul style="list-style-type: none"><li>• 80W - 110W</li><li>• ( PF &gt; 0.9 )</li></ul>






# 2. Capture the Market Potential

## 2.3. Internet of Things



[Source: IC-Insights 2011]

## 2.3. Internet of Things – New Suppliers

Supplier	Country	Products
	USA	<ul style="list-style-type: none"><li>• Embedded WIFI Module</li></ul>
	JPN	<ul style="list-style-type: none"><li>• WIFI Module</li><li>• Embedded WIFI Module</li></ul>
	USA	<ul style="list-style-type: none"><li>• WIFI Chipsets</li><li>• Embedded WIFI Module</li></ul>

# 2.3. Internet of Things – Focus Products

Handheld Health Care Security Products



8/16/32Bit MCU + WIFI Module



Broadband ISP Gateway



Toys/Home Appliance Locks/ Smart sockets

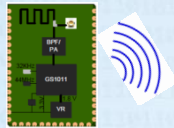


8/16/32Bit MCU + WIFI Module

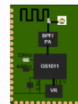




## 2.3. Internet of Things – Focus Products



Not only reading socket meter, we can also control the socket on/off directly or set timer.



Display Console (iPhone/iPad)



## 2.3. In Summary



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**Thank You!**

**WILLAS-ARRAY™**