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**Willas-Array reports full year net profit of HK\$29.0 million;
declares dividend of 6.822 Hong Kong cents
(equivalent to 1.1 Singapore cents)**

- *Healthy performance a result of better sales and higher profit margins*
- *Excluding expenses incurred for the Group's primary dual listing in December 2013, net profit attributable to shareholders would have increased 20.1% to HK\$55.1 million*

<i>Financial Highlights in HK\$'m</i>	12 months ended 31 March		
	FY2014	FY2013	% Change
Revenue	3,196.3	3,157.6	+ 1.2
Gross profit	327.8	305.7	+ 7.2
Profit before tax	40.2	54.4	- 26.1
Net profit attributable to shareholders	29.0	45.8	- 36.7

SINGAPORE – 30 May 2014 – Willas-Array Electronics (Holdings) Limited (“Willas-Array” or the “Group”), one of the largest Hong Kong-based distributors of electronics components in Asia Pacific, reported net earnings of HK\$29.0 million on the back of HK\$3,196.3 million in revenue for the financial year ended 31 March 2014 (“**FY2014**”).

The Group achieved better performance in FY2014 as compared to the preceding year ended 31 March 2013 (“**FY2013**”). The revenue increase of 1.2% from HK\$3,157.6 million was the overall result of a 5.2% growth in revenue in the second half of the year attributed to increased sales efforts, which partially offset the fall in sales revenue in the first half of the year due to the gradual transfer of the Group's Toshiba-related business to its 49.0% owned associated company, GW Electronics Company Limited (“**GW Electronics**”).

The Group's gross profit improved 7.2% from HK\$305.7 million in FY2013 to HK\$327.8 million in FY2014 because of stabilising market conditions that led to healthier average selling prices for its products. Consequently, gross profit margin rose from 9.68% to 10.26% over the same period.

The Group also registered a HK\$7.1 million share of profit of associates as FY2014 was the first full financial year after GW Electronics commenced operations.

Operationally, distribution costs increased 53.1% y-o-y from HK\$30.1 million to HK\$46.1 million due to normal accrued sales incentive for the sales staff in FY2014 compared with a reversal of sales incentive provision as a result of lower sales in FY2013.

During the year under review, the Group incurred a listing expense of HK\$26.1 million for its successful dual primary listing on The Stock Exchange of Hong Kong Limited on 6 December 2013. Excluding this one-off listing expense, the Group would have achieved a 20.1% increase in net profit attributable to shareholders of HK\$55.1 million as compared to HK\$45.8 million in FY2013.

Commenting on the Group's financial performance for FY2014, Willas-Array's Chairman, Mr Lawrence Leung, said, "FY2014 was a good year for Willas-Array. Not only did we mark yet another major milestone for the Group with our successful dual primary listing on The Stock Exchange of Hong Kong, we also delivered a strong set of results for the year. Thanks to the hard work of our sales teams and also higher margins for our products, the Group achieved higher revenue and earnings."

Based on the number of 372,720,000 ordinary shares in issue, earnings per share in FY2014 was 7.78 HK cents, compared to 12.30 HK cents in the previous year; net asset value per share was 149.61 HK cents as at 31 March 2014, compared to 147.09 HK cents as at 31 March 2013.

Outlook

Willas-Array is cautiously optimistic about its performance in the next 12 months as it expects market conditions for electronic components to ride the growth momentum achieved in FY2014 and improve further. The US and major economies in the Eurozone are also showing positive signs of recovery and this bodes well for the industry as demand is expected to increase.

While market watchers are projecting slower growth for Willas-Array's key market of Mainland China, which has been facing rising inflation and falling trade and consumption, the Group is confident that its strong business network and presence in Greater China will continue to drive growth for its business.

Mr Leung explained, "We decided to have a dual primary listing in Hong Kong last year because we wanted to be more visible to customers in the Greater China region. We believe that this strategy, together with our continual focus on internal controls and risk management will serve us well through any unpredictability in the coming years."

The Group expects its long term policy of strict financial discipline and tight capital management to continue to keep it in good stead to face operating challenges in the form of currency fluctuations, volatility in raw material prices as well as rising wages.

Proposed Dividend Payout

Based on the Group's healthy performance, the Directors have proposed a first and final dividend of 6.822 Hong Kong cents or 1.1 Singapore cents per share, which if approved at the Annual General Meeting to be held on 31 July 2014, will be paid to shareholders on 22 August 2014.

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About Willas-Array Electronics (Holdings) Limited

Established in the early 1980s, listed on the Main Board of the Singapore Exchange in 2001 (SGX: W12) and also on the Main Board of The Stock Exchange of Hong Kong in 2013 (SEHK: 854), Hong Kong-based Willas-Array is principally engaged in the distribution of electronic components for use in the industrial, audio and video, telecommunications, home appliances, lighting, EMS and automotive segments, as well as the provision of engineering solutions.

Backed by long-standing relationships with over 20 internationally reputable principal suppliers, Willas-Array carries a wide product mix, distributing and marketing over 10,000 product items which cater to over 3,000 customers. Its main markets are in Mainland China, Hong Kong and Taiwan.

The Group's reputation is well-established among suppliers, customers and banks, many of whom are its long term partners. Its sound management policies have ensured healthy inventory and cash flow levels. The Group was generally able to achieve healthy financial results and strong profit track record period.

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