

# FY2022 Results Briefing

## For the year ended March 31, 2022

**Date: May 31, 2022**



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- Results Highlights
- Business Review

# Results Highlights



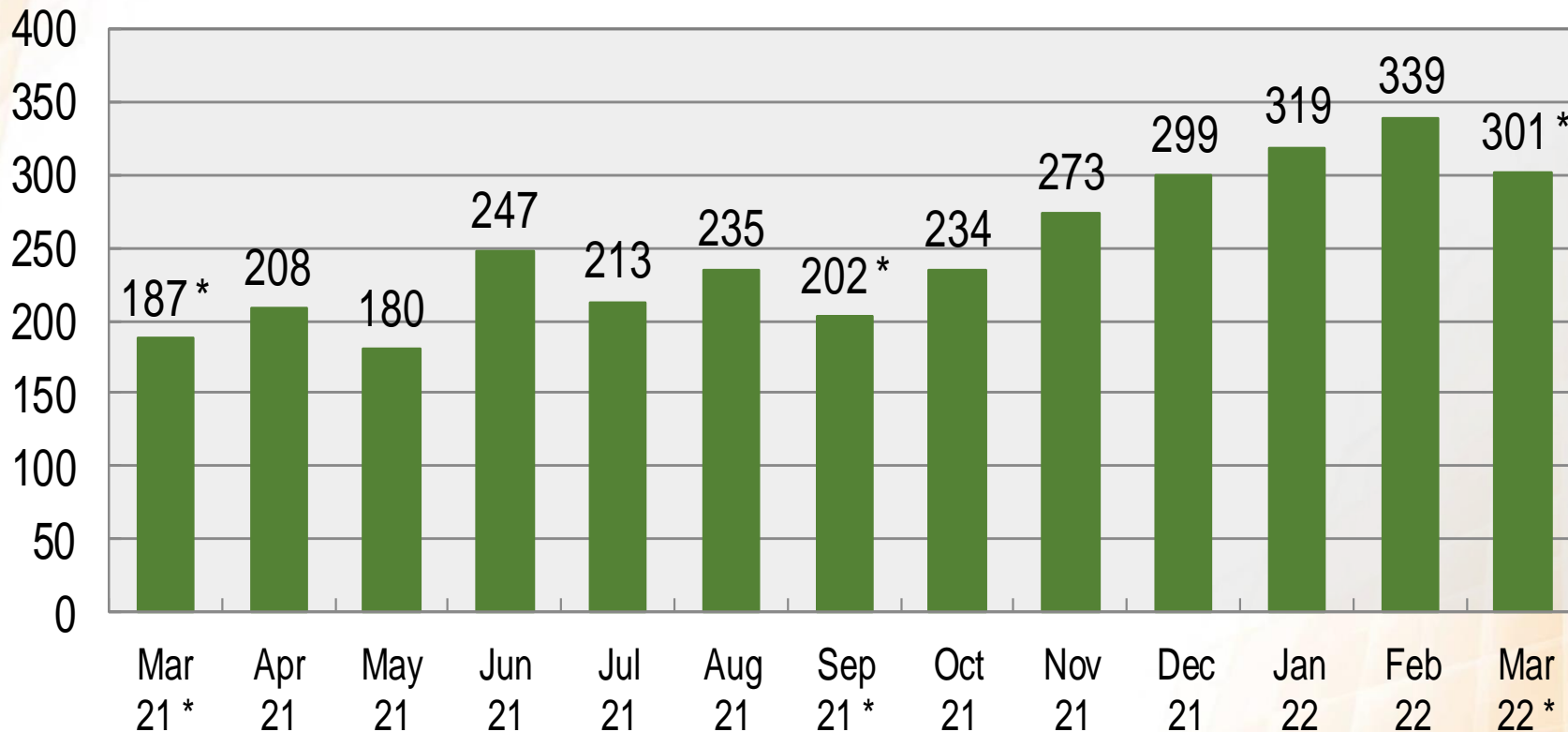
# Profit And Loss



	FY2022 HK\$'M	FY2021 HK\$'M	Inc/(Dec) HK\$'M	% Change %
Turnover	3,425.8	3,557.9	(132.1)	-3.7%
<b>EBITDA</b>	139.5	139.3	0.2	+0.1%
Depreciation	(14.1)	(14.0)	0.1	+0.8%
Finance costs	(17.3)	(19.0)	(1.7)	-9.2%
<b>Profit before tax</b>	108.1	106.3	1.8	+1.6%
Income tax expense	(25.9)	(13.8)	12.1	+86.9%
<b>Profit after tax</b>	82.2	92.5	(10.3)	-11.1%
Basic EPS (HK cents)	96.33	108.54	(12.21)	-11.2%

# Inventory Level

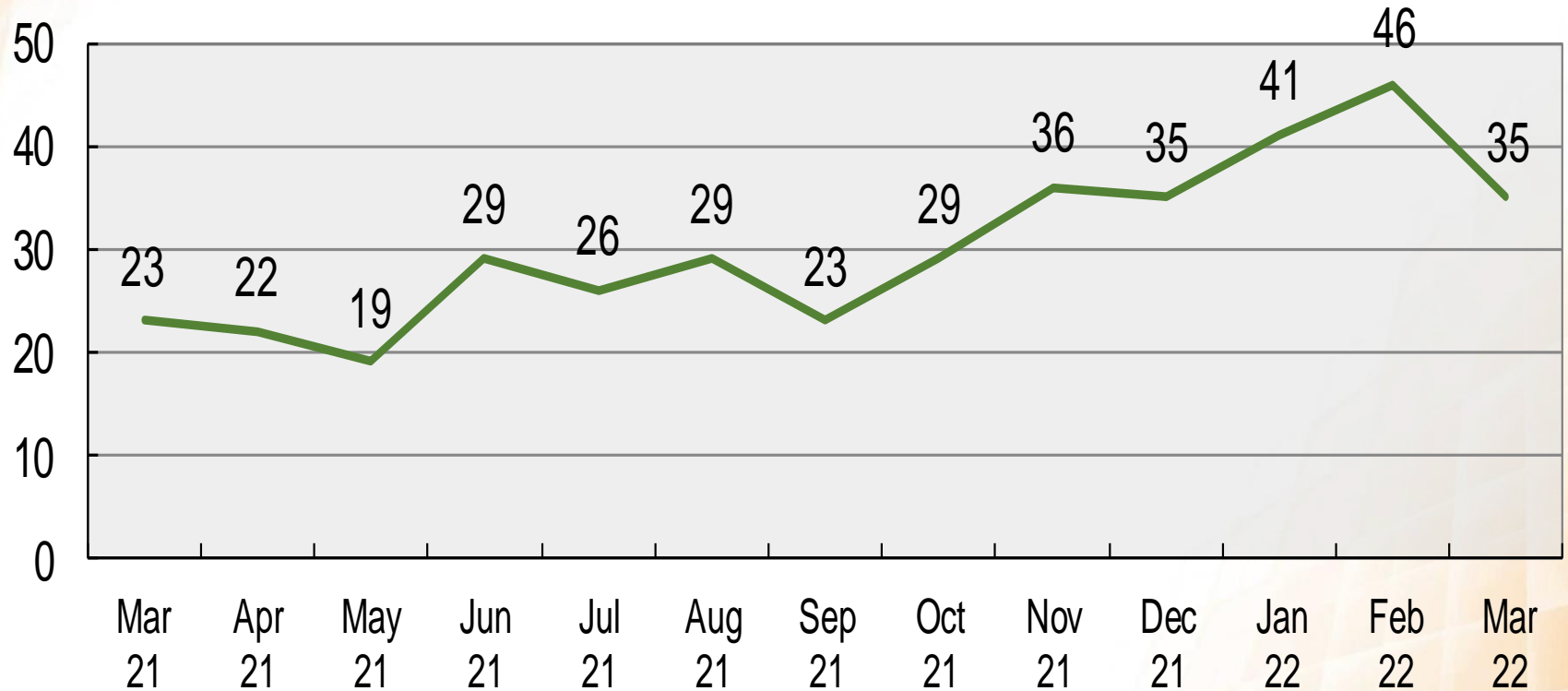
In HK\$'M



\* Excluding Goods-in-Transit

# Inventory Turnover Ratio

No. of days



# Business Review





## Business Review

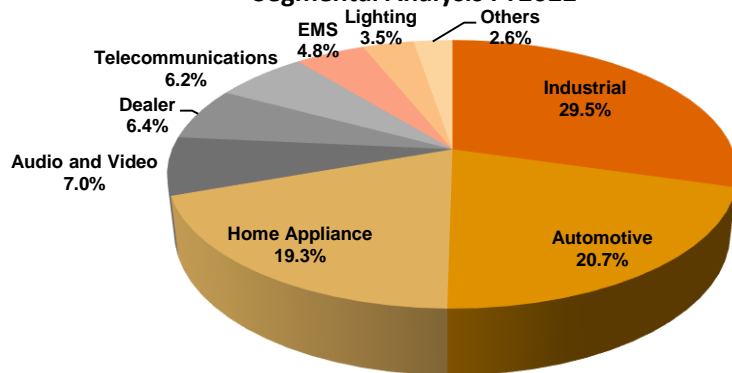
- Market Segment Review
- Snapshot of China Economy
- Update on Automotive and Home Appliance Market in China

# Market Segment Review

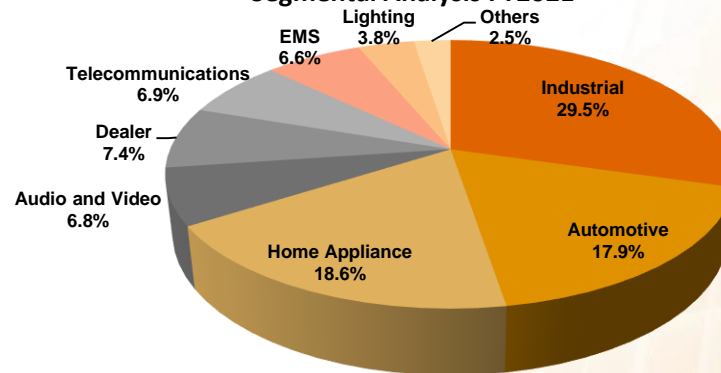
(in HK\$'000)

	FY2022		FY2021		Increase (Decrease)	
Turnover		%		%		%
Industrial	1,010,422	29.5%	1,049,738	29.5%	(39,316)	(3.7%)
Automotive	710,758	20.7%	636,418	17.9%	74,340	11.7%
Home Appliance	660,797	19.3%	662,802	18.6%	(2,005)	(0.3%)
Audio and Video	238,855	7.0%	242,741	6.8%	(3,886)	(1.6%)
Dealer	218,577	6.4%	261,632	7.4%	(43,055)	(16.5%)
Telecommunications	213,945	6.2%	244,453	6.9%	(30,508)	(12.5%)
EMS	163,241	4.8%	235,639	6.6%	(72,398)	(30.7%)
Lighting	118,753	3.5%	135,958	3.8%	(17,205)	(12.7%)
Others	90,484	2.6%	88,554	2.5%	1,930	2.2%
	<b>3,425,832</b>	<b>100.0%</b>	<b>3,557,935</b>	<b>100.0%</b>	<b>(132,103)</b>	<b>(3.7%)</b>

Segmental Analysis FY2022



Segmental Analysis FY2021

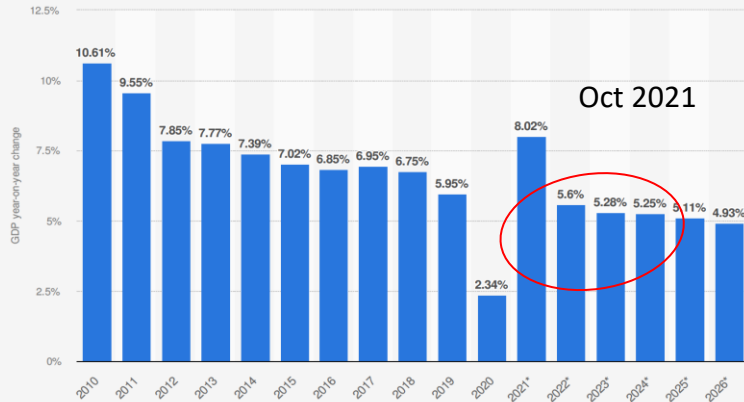


## Business Review

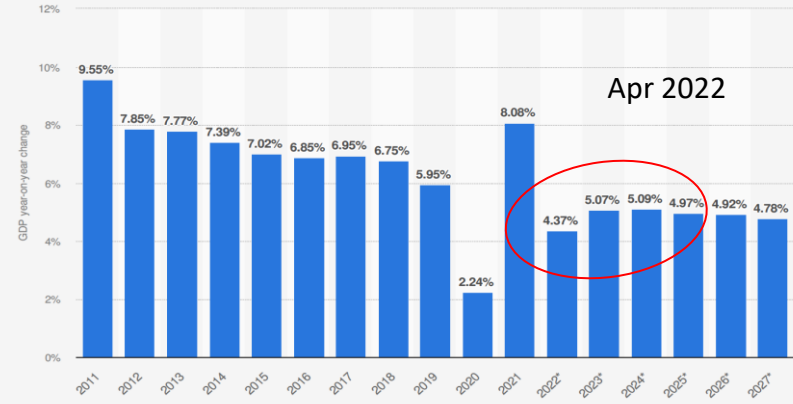
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# Snapshot of China Economy

Growth rate of real gross domestic product (GDP) in China from 2010 to 2020 with forecasts until 2026



Growth rate of real gross domestic product (GDP) in China from 2011 to 2021 with forecasts until 2027



- Although China's economy had expanded by 8.08% in 2021, the government is expecting to record GDP of 5.5% in 2022. Compared to the IMF's five-year GDP forecast for China set in October last year, it has in April revised down its forecast. Despite the challenging economic outlook, we believe there are opportunities for the Group.
- In 1Q 2022, China registered GDP of 4.8%. The government has signalled for more policy support to achieve its 2022 GDP target, especially in the areas of domestic consumption and green policy.
- The Government has announced more incentives to increase adoption of electric vehicles and promote energy efficient electric appliances. This comes amid the rapid push towards decarbonisation and the acceleration in the development of solar energy, wind energy and energy storage facilities.

## Business Review

- Market Segment Review
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# China – Sales of Vehicles

Jan-Dec 2021

Unit:  
10000, %

	Volume	Jan. — Dec.	MoM	YoY	YoY Jan. — Dec.
<b>Cars</b>	278.6	2627.5	10.5	-1.6	3.8
<b>Passenger Cars (PC)</b>	242.2	2148.2	10.5	2.0	6.5
Cars	112.6	993.4	11.6	7.5	7.1
MPV	11.3	105.5	4.7	-20.8	0.1
SUV	114.1	1010.1	10.2	0.3	6.8
Crossed Passenger Cars	4.1	39.1	5.5	-11.8	0.8
<b>Commercial Vehicles (CV)</b>	36.4	479.3	10.5	-20.1	-6.6

Jan-Apr 2022

Unit:  
10000, %

	Volume	Jan. — Apr.	MoM	YoY	YoY Jan. — Apr.
<b>Cars</b>	118.1	769.1	-47.1	-47.6	-12.1
<b>Passenger Cars (PC)</b>	96.5	651.0	-48.2	-43.4	-4.2
Cars	46.1	304.5	-47.1	-39.1	-3.0
MPV	3.9	24.3	-45.9	-54.6	-20.8
SUV	44.7	311.4	-49.0	-45.6	-3.8
Crossed Passenger Cars	1.8	10.8	-59.4	-55.7	0.4
<b>Commercial Vehicles (CV)</b>	21.6	118.1	-41.6	-60.7	-39.8

➤ **The Growth momentum in vehicle sales has come under pressure**

# China – Sales of New Energy Vehicles (NEV)



Jan-Dec 2021

Unit: 10000,  
%

	Dec.	Jan. — Dec.	MoM	YoY	YoY Jan. — Dec.
NEVs	53.1	352.1	11.1	113.9	157.5
NEV PCs	49.8	333.4	10.3	120.6	167.5
BEVs	41.6	273.4	16.0	120.5	173.5
PHEVs	8.2	60.0	-11.7	121.6	143.2
NEV CVs	3.3	18.6	24.9	46.6	54.0
BEVs	3.2	18.2	24.8	46.3	57.1
PHEVs	0.04	0.3	-26.1	23.4	-24.2

Jan-Apr 2022

Unit: 10000,  
%

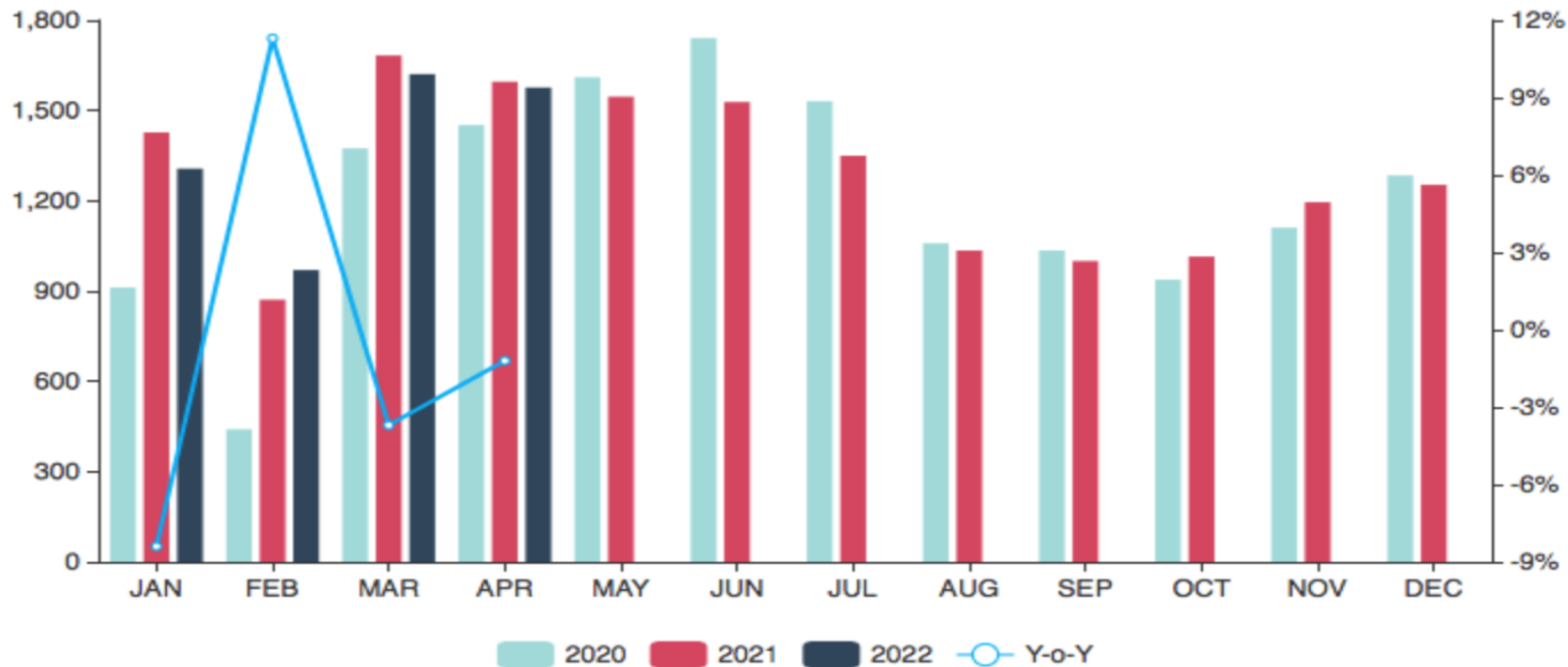
	Apr.	Jan. — Apr.	MoM	YoY	YoY Jan. — Apr.
NEVs	29.9	155.6	-38.3	44.6	112.2
NEV PCs	28.0	148.8	-39.2	45.0	114.1
BEVs	21.2	117.3	-43.1	34.2	102.8
PHEVs	6.8	31.5	-22.5	94.1	170.3
NEV CVs	1.9	6.8	-19.7	38.8	77.1
BEVs	1.9	6.6	-15.8	38.7	73.6
PHEVs	28 unit	0.2	-96.8	-28.2	262.6

- **The Growth momentum in NEV sales in China has maintained at a high level**
- **Driven by policy support**
- **Higher electronics content in NEV is a huge opportunity**

# China Air-Conditioner Production

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

Data Source : 产业在线 (ChinaIOL.com)

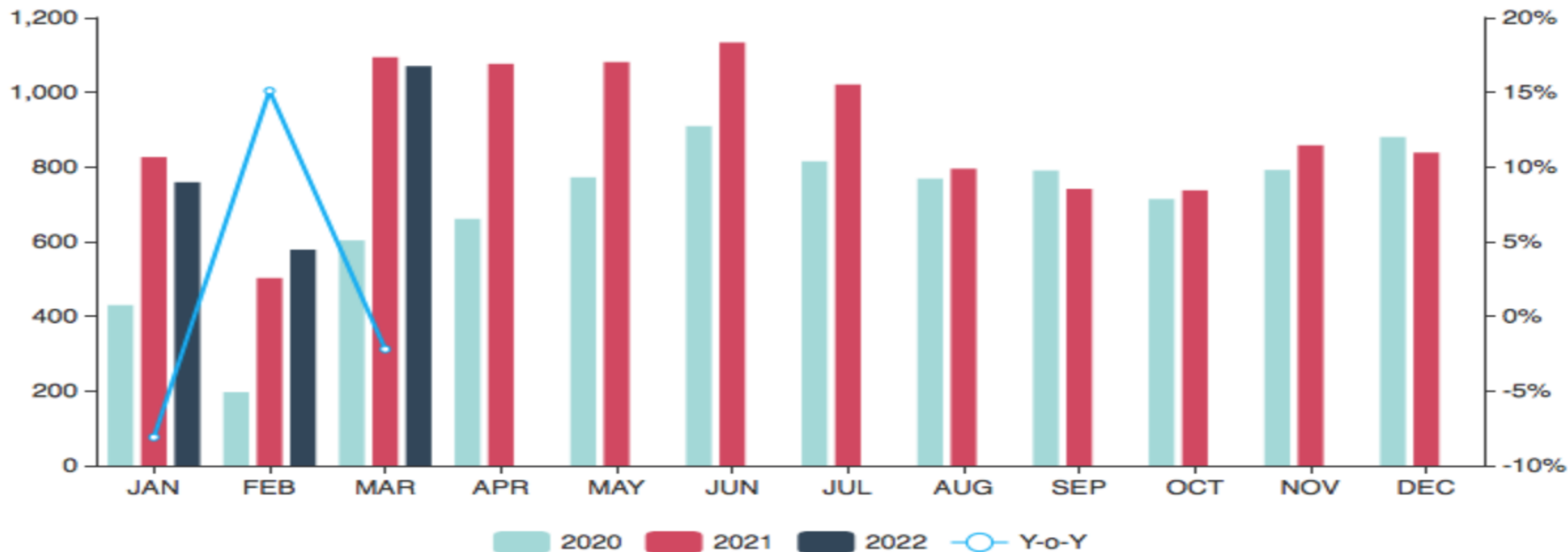




# China Air-Conditioner Production (Inverter-type)

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

Data Source : 产业在线 (ChinaIOL.com)

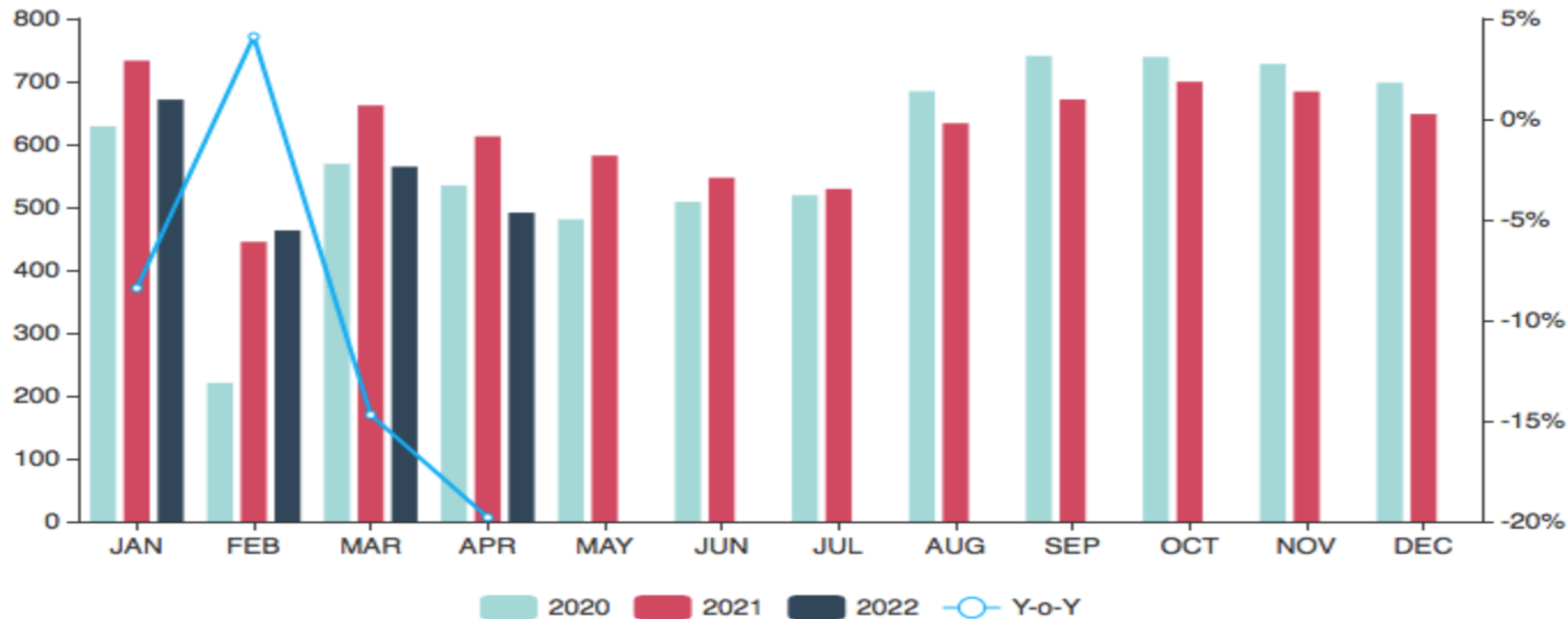


➤ Higher Energy Efficiency to support the carbon neutralisation policy

# China Washing Machine Production

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

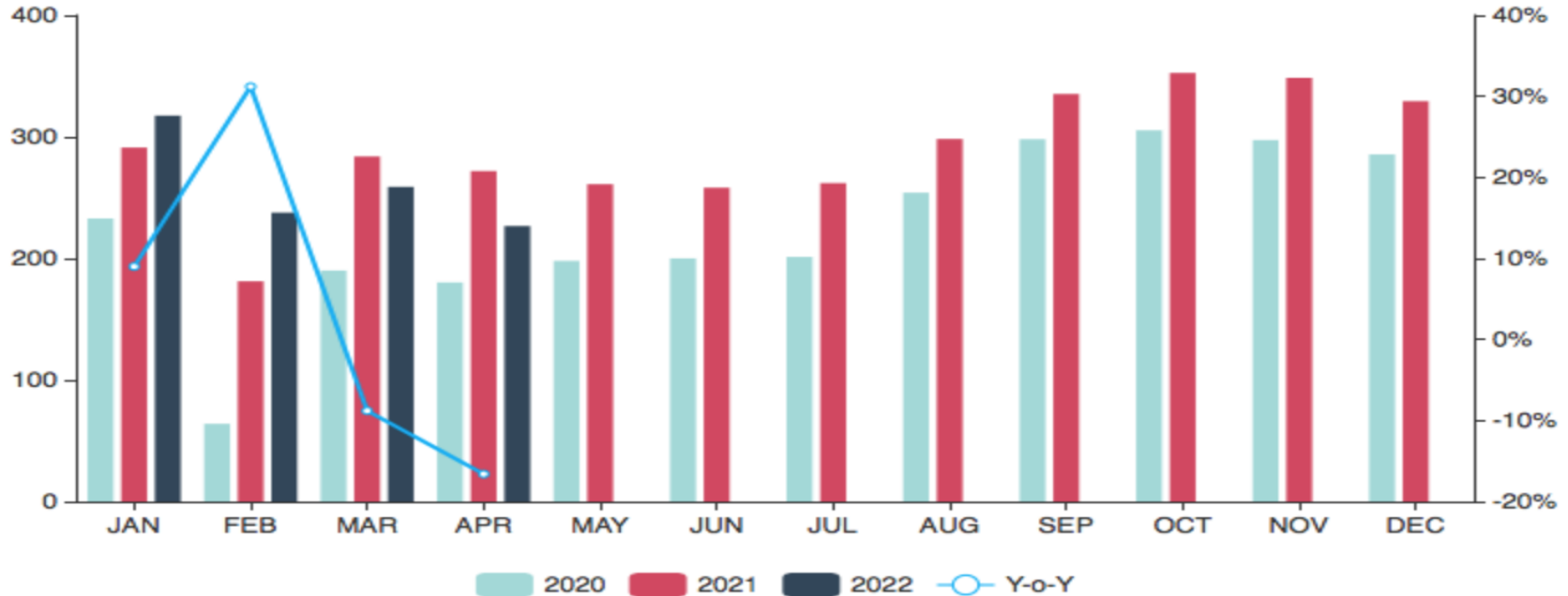
Data Source : 产业在线 (ChinaIOL.com)



# 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)



### ➤ Energy Saving Initiative

# Thank you !

