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WILLAS-ARRAY
WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED
威雅利電子(集團)有限公司
(Incorporated in Bermuda with limited liability)
(Hong Kong stock code: 854)
(Singapore stock code: BDR)

**CHANGES TO THE BOARD AND
BOARD COMMITTEE COMPOSITION**

**APPOINTMENT OF NON-EXECUTIVE DIRECTOR, CHAIRMAN OF THE
BOARD AND CHAIRMAN OF THE ESOS COMMITTEE**

The board of directors (the “**Directors**” and the “**Board**”, respectively) of Willas-Array Electronics (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Xie Lishu (“**Mr. Xie**”) has been appointed by the Board as a non-executive Director (“**Non-Executive Director**”) and chairman of the Board effective from May 20, 2023. Mr. Xie shall also be appointed as the chairman of the employee share option scheme committee with effect from May 20, 2023.

Mr. Xie, aged 50, obtained a bachelor degree in applied chemistry from Tongji University in 1996. Mr. Xie has over 26 years of experience in the electronics industry. He was a sales manager of China Circuit Technology (Shantou) Corporation from 1996 to 1999, and the CEO of Shanghai YCT Electronics Group Co., Ltd. (上海雅創電子集團股份有限公司) (“**Shanghai YCT**”), which is a company listed on the ChiNext Board of the Shenzhen Stock Exchange in 2021, from 2008 to 2019. Mr. Xie has been both the CEO and the chairman of the board of directors of Shanghai YCT since 2019.

As at the date of this announcement, Mr. Xie is deemed to be interested in 18,614,309 shares of the Company (the “**Shares**”) held through Texin (HongKong) Electronics Co. Limited (“**Texin**”), representing approximately 21.24% of the issued Shares, within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) and the Securities and Futures Act 2001 of Singapore. Therefore, Mr. Xie is a substantial shareholder of the Company under Rules Governing the Listing of Securities (the “**Hong Kong Listing Rules**”) on The Stock Exchange of Hong Kong Limited, and a controlling shareholder of the Company under the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST Listing Manual**”).

Mr. Xie is the husband of Ms. Huang Shaoli, a Non-Executive Director to be appointed on May 20, 2023, a substantial shareholder of the Company under the Hong Kong Listing Rules on The Stock Exchange of Hong Kong Limited, and a controlling shareholder of the Company under the SGX-ST Listing Manual.

The appointment of Mr. Xie was nominated by the nomination committee of the Board (the “**Nomination Committee**”). The Company has entered into an appointment letter with Mr. Xie for his appointment as a Non-Executive Director and the chairman of the Board for the period from May 20, 2023 to March 31, 2024 (the “**Appointment Letter with Mr. Xie**”). The appointment is subject to re-election at the 2023 annual general meeting of the Company (the “**2023 AGM**”) in accordance with the bye-laws of the Company, the SGX Listing Manual and the Hong Kong Listing Rules.

Under the terms of the Appointment Letter with Mr. Xie, Mr. Xie is entitled to a director’s fee of HK\$900,000 per annum and deemed to accrue on a day-to-day basis, which will be reviewed annually by the Board and the remuneration committee of the Board by reference to his duties and responsibilities with the Company, and subject to the Company’s shareholders’ approval.

Save as disclosed herein, Mr. Xie (i) has not held any directorship in any other listed public company in Hong Kong or overseas in the past three years; (ii) does not hold any other position with the Company or any of its subsidiaries; (iii) does not have other major appointments and professional qualifications; and (iv) does not have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company. There is no information required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules. Save as disclosed below in “**DISCLOSURE ON POTENTIAL CONFLICT OF INTERESTS AND EFFECTIVE MEASURES TO PROTECT THE COMPANY**”, the Board is not aware of any other matters which need to be brought to the attention of the shareholders in relation to Mr. Xie’s appointment.

APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Board also announces that Ms. Huang Shaoli (“**Ms. Huang**”) has been appointed by the Board as a Non-Executive Director effective from May 20, 2023.

Ms. Huang, aged 46, graduated with Junior College Degree in International Business from Shanghai Institute of Science & Technology Management in 1999. Ms. Huang has over 19 years of experience in the electronics industry. She was a finance manager of Shanghai YCT from 2004 to 2010 and the vice president of Shanghai YCT from 2010 to 2019. She has been a director of Shanghai YCT since 2019.

Ms. Huang is the wife of Mr. Xie. As at the date of this announcement, Ms. Huang is deemed to be interested in 18,614,309 Shares held through Texin, representing approximately 21.24% of the issued Shares, within the meaning of Part XV of SFO and the Securities and Futures Act 2001 of Singapore. Therefore, she is also a substantial shareholder of the Company under the Hong Kong Listing Rules and a controlling shareholder of the Company under the SGX-ST Listing Manual.

The appointment of Ms. Huang was nominated by the Nomination Committee. The Company has entered into an appointment letter with Ms. Huang for her appointment as a Non-Executive Director for the period from May 20, 2023 to March 31, 2024 (the “**Appointment Letter with Ms. Huang**”). The appointment is subject to re-election at the 2023 AGM in accordance with the bye-laws of the Company, the SGX Listing Manual and the Hong Kong Listing Rules.

Under the terms of the Appointment Letter with Ms. Huang, Ms. Huang is entitled to a director’s fee of HK\$780,000 per annum and deemed to accrue on a day-to-day basis, which will be reviewed annually by the Board and the remuneration committee of the Board by reference to her duties and responsibilities with the Company, and subject to the Company’s shareholders’ approval.

Save as disclosed herein, Ms. Huang (i) has not held any directorship in any other listed public company in Hong Kong or overseas in the past three years; (ii) does not hold any other position with the Company or any of its subsidiaries; (iii) does not have other major appointments and professional qualifications; and (iv) does not have any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company. There is no information required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules. Save as disclosed below in “DISCLOSURE ON POTENTIAL CONFLICT OF INTERESTS AND EFFECTIVE MEASURES TO PROTECT THE COMPANY”, the Board is not aware of any other matters which need to be brought to the attention of the shareholders in relation to Ms. Huang’s appointment.

The Board would like to welcome Mr. Xie and Ms. Huang to the Board.

DISCLOSURE ON POTENTIAL CONFLICT OF INTERESTS AND EFFECTIVE MEASURES TO PROTECT THE COMPANY

Mr. Xie and Ms. Huang (collectively, the “**Appointed Directors**”) are directors and controlling shareholders of Shanghai YCT. Since the Company and Shanghai YCT (including their respective underlying entities) are in the same industry (i.e., an authorized distributor of electronic components for use in various industries as well as provision of engineering solutions), have the same or similar business model, operate in the same geographical region and have overlapping upstream suppliers and end customers, the Appointed Directors may face potential conflicts of interests.

In order to implement effective conflict of interests management and delineate the business of the Company from that of Shanghai YCT, the Company is prepared to adopt/ has adopted the following measures:

- (1) restricting the Appointed Directors from participating in the management of the Company’s business where there is actual or potential competition;
- (2) having a sufficient number of independent directors, who have requisite knowledge, industry experience and expertise, on the Board to advise on the conflicted transactions and business decisions, whilst the Appointed Directors would abstain from voting;
- (3) the Appointed Directors having provided an enforceable non-competition undertaking in favour of the Company (the “**Undertaking**”); and
- (4) the Appointed Directors having granted a right of first refusal to the Company on behalf of Shanghai YCT where it is aware of a new business opportunity relating to the business conducted by the Company or intends to dispose of the competing business.

The content of the Undertaking includes:

- a) If each of the Appointed Directors proposes to the Board or the Company that any business lines, business segments, material end-customers or any core business strategies the Company currently and in the future focuses on shall be discontinued, reduced, and or transfer to Controlled Persons¹, close associates (as defined in the Hong Kong Listing Rules), and/or member companies of the Texin group, and/or any matters that may lead to potential conflicts of interest (“**Proposals**”), each of the Appointed Directors shall not be allowed to participate or if present in such meeting not be counted towards the quorum or allowed to vote in such meeting, and such Proposals shall be considered and decided solely by the other Board members who do not have an interest in the Proposal (the “**Independent Board**”).

¹ “Controlled Persons” means in relation to each of the Appointed Directors and persons to whom each of the Appointed Directors provides financial assistance to set up and operate businesses.

- b) The Independent Board shall be responsible for deciding, without attendance by any of the Appointed Directors (except as invited by the Independent Board to assist them or provide any relevant information but in no circumstances shall the Appointed Directors participating in such meeting be counted towards the quorum or allowed to vote in such meeting), whether or not to take up a new business opportunity referred to the Company and exercise the right of first refusal;
- c) the independent non-executive directors of the Company (“INEDs”) may employ an independent financial/legal/industrial advisor (as the case may be) as they consider necessary to advise them on the terms of any new business opportunity and the right of first refusal (if applicable);
- d) each of the Appointed Directors shall make annual declaration by providing a written confirmation to the Company confirming he/she has fully complied with the non-competition undertakings;
- e) upon receiving the confirmation, the INEDs of the Company shall review, on an annual basis, the compliance of the non-competition undertakings given by each of the Appointed Directors, and any decisions in relation to new business opportunities referred to the Company, and exercise of right of first refusal (if applicable), and where required by the Hong Kong Listing Rules shall not be restricted in any way to state their basis and reasons in the Company’s annual report;
- f) the INEDs of the Company shall be granted full access of financial information and other information they request from the managers of the Company and the Appointed Directors in order to make an informed decision. The INEDs of the Company shall make each decision based on any factors they consider appropriate and which they consider is beneficial to the Group;
- g) the Company shall not be restricted in any way in disclosing details of any potential competing interests including the business being conducted by the Texin group from time to time in the Company’s annual reports to its shareholders;
- h) the Company shall not be restricted in any way in disclosing any new development of any potential competing interests in the Company’s annual reports to its shareholders; and
- i) in the event that the Company decides not to proceed with any particular projects or business opportunities and that the Appointed Directors or their close associates (as defined in the Hong Kong Listing Rules), Controlled Persons and/or member companies of the Texin group decide to proceed with such a project or business opportunity, the Company may determine to announce such decision by way of an announcement setting out therein the basis for the Company not taking up the project or business opportunity.

Further, the Appointed Directors shall also recuse themselves from discussions and decisions of the Board involving any issues of their conflict of interests, and shall abstain from voting as directors on the relevant matters.

Shareholders should also refer to the separate appointment announcements by the Company on SGXNET for further information.

By Order of the Board
Willas-Array Electronics (Holdings) Limited
Leung Hon Shing
Executive Director and Company Secretary

Hong Kong/Singapore, May 19, 2023

As at the date of this announcement, the Board comprises two Executive Directors, namely Hon Kar Chun (Managing Director) and Leung Hon Shing; and three Independent Non-executive Directors, namely Lim Lee Meng, Tang Wai Loong Kenneth and Tong Kai Cheong.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.