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)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,		
	2026	2025	**Change**
	HK$'000	*HK$'000*	**%**
	(Unaudited)	(Unaudited)	
Revenue	**1,475,191**	1,158,844	**27.3**
Gross profit	**151,069**	113,719	**32.8**
Profit before tax	**61,246**	19,653	**NM**
Profit attributable to owners of the Company	**61,470**	20,726	**196.6**
Basic earnings per share (HK cents)	**59.69**	23.63	**152.6**

NM – Not Meaningful

UNAUDITED FINANCIAL RESULTS

The board of directors of Willas-Array Electronics (Holdings) Limited (the "Company", the "Directors" and the "Board", respectively) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group", "We" or "Our") for the six months ended June 30, 2026, together with the relevant comparative figures as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2026

		For the six months ended June 30,		
		2026	2025	**Change**
	NOTES	***HK$'000***	*HK$'000*	***%***
		(Unaudited)	(Unaudited)	
Revenue		**1,475,191**	1,158,844	**27.3**
Cost of sales	3	**(1,324,122)**	(1,045,125)	**26.7**
Gross profit		**151,069**	113,719	**32.8**
Other income		**5,863**	2,334	**151.2**
Distribution costs		**(15,382)**	(10,977)	**40.1**
Administrative expenses		**(68,947)**	(70,768)	**–2.6**
Other gains and losses		**811**	(5,650)	**NM**
Impairment losses (recognised) reversed under expected credit loss ("ECL") model, net		**(784)**	7,006	**NM**
Finance costs		**(11,384)**	(16,011)	**–28.9**
Profit before tax		**61,246**	19,653	**NM**
Income tax credit	4	**224**	1,073	**–79.1**
Profit for the period	5	**61,470**	20,726	**196.6**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – continued

For the six months ended June 30, 2026

	NOTE	**For the six months ended June 30, 2026** HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)	**Change %**
Other comprehensive income:				
Item that may be reclassified subsequently to profit or loss:				
– Exchange differences arising from translation of foreign operations		**9,561**	4,997	**91.3**
Other comprehensive income for the period		**9,561**	4,997	**91.3**
Total comprehensive income for the period attributable to owners of the Company		**71,031**	25,723	**176.1**
Earnings per share				
– Basic (HK cents)	16	**59.69**	23.63	**152.6**
– Diluted (HK cents)		**59.69**	23.63	**152.6**

NM – Not Meaningful

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	NOTES	**As at June 30, 2026** *HK$'000* **(Unaudited)**	As at December 31, 2025 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment	6	**149,451**	150,651
Right-of-use assets		**3,097**	1,863
Investment property		**44,860**	43,583
Club debentures		**2,001**	2,001
Interest in an associate		**–**	–
Financial assets measured at fair value through other comprehensive income ("FVTOCI")		**15,309**	12,398
Long-term deposits		**1,542**	1,293
Deferred tax assets		**466**	–
Total non-current assets		**216,726**	211,789
Current assets			
Inventories		**314,396**	335,204
Trade receivables	7	**878,147**	691,791
Other receivables, deposits and prepayments		**4,185**	7,476
Amounts due from related companies	8	**1,023**	1,192
Income tax recoverable		**155**	154
Cash and cash equivalents		**132,126**	111,993
Total current assets		**1,330,032**	1,147,810
Total assets		**1,546,758**	1,359,599

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

As at June 30, 2026

	NOTES	**As at June 30, 2026 *HK$'000* (Unaudited)**	As at December 31, 2025 *HK$'000* (Audited)
Current liabilities			
Trade payables	11	**335,225**	222,383
Other payables		**28,375**	35,176
Amounts due to related companies	9	**4,413**	4,360
Contract liabilities		**6,368**	2,694
Income tax payable		**132**	73
Trust receipt loans		**64,801**	74,953
Bank borrowings		**525,363**	460,525
Lease liabilities		**1,732**	1,213
Loans from the ultimate holding company	12	**–**	49,601
Total current liabilities		**966,409**	850,978
Net current assets		**363,623**	296,832
Total assets less current liabilities		**580,349**	508,621
Capital, reserves and non-controlling interests			
Share capital	13	**102,989**	102,989
Reserves		**475,466**	404,435
Equity attributable to owners of the Company		**578,455**	507,424
Total equity		**578,455**	507,424
Non-current liabilities			
Deferred tax liabilities		**607**	570
Lease liabilities		**1,287**	627
Total non-current liabilities		**1,894**	1,197
Total liabilities and equity		**1,546,758**	1,359,599

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026

	Attributable to owners of the Company								
	Share capital *HK$'000*	**Capital reserves** *HK$'000* *(Note i)*	**Statutory reserve** *HK$'000* *(Note ii)*	**Property revaluation reserve** *HK$'000*	**Currency translation reserve** *HK$'000*	**Financial assets measured at FVTOCI reserve** *HK$'000*	**Other reserve** *HK$'000* *(Note iii)*	**Retained profits** *HK$'000*	**Total** *HK$'000*
At January 1, 2025 (Audited)	87,692	198,638	22,045	91,018	(23,562)	(16,448)	(3,475)	62,364	418,272
Total comprehensive income for the period:									
Profit for the period	–	–	–	–	–	–	–	20,726	20,726
Other comprehensive income for the period	–	–	–	–	4,997	–	–	–	4,997
Total	–	–	–	–	4,997	–	–	20,726	25,723
Transactions with owners, recognised directly in equity:									
Transfer of statutory reserve	–	–	(4,184)	–	–	–	–	4,184	–
Total	–	–	(4,184)	–	–	–	–	4,184	–
At June 30, 2025 (Unaudited)	87,692	198,638	17,861	91,018	(18,565)	(16,448)	(3,475)	87,274	443,995
At January 1, 2026 (Audited)	102,989	224,365	22,497	77,005	(17,209)	(16,282)	(3,475)	117,534	507,424
Total comprehensive income for the period:									
Profit for the period	–	–	–	–	–	–	–	61,470	61,470
Other comprehensive income for the period	–	–	–	–	9,561	–	–	–	9,561
Total	–	–	–	–	9,561	–	–	61,470	71,031
At June 30, 2026 (Unaudited)	**102,989**	**224,365**	**22,497**	**77,005**	**(7,648)**	**(16,282)**	**(3,475)**	**179,004**	**578,455**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – continued

For the six months ended June 30, 2026

Notes:

(i) Capital reserves comprise share premium, contributed surplus and share options reserve. Contributed surplus represents the difference between the underlying net tangible assets of the subsidiaries which were acquired by the Company at the date of the group reorganisation in 2001 and the nominal amount of the shares issued by the Company under the reorganisation.

(ii) The statutory reserve is non-distributable and was appropriated from profit after tax of the Company's subsidiaries in the People's Republic of China (the "PRC") and Taiwan under the respective laws and regulations of the PRC and Taiwan.

(iii) Other reserve comprises a debit amount of HK$3,475,000 and represents the difference between the fair value of the consideration paid and the carrying amount of the net assets attributable to the additional interest in certain then subsidiaries acquired during the year ended March 31, 2017 and the dissolution of a subsidiary, namely WinStar Smart Technology (Suzhou) Company Limited which principal activities was provision of IoT application services and suffered significant losses in recent years, during the nine months ended December 31, 2024. Provision of IoT application services was not principal business of the Group.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

	For the six months ended June 30,	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	**34,018**	219,639
Net cash used in investing activities		
Purchase of property, plant and equipment	**(487)**	(339)
Investments in unlisted equity securities	**(2,373)**	(6,582)
Proceeds from disposal of property, plant and equipment	**59**	–
	(2,801)	(6,921)
Net cash used in financing activities		
Repayments of trust receipt loans and bank borrowings	**(691,798)**	(714,969)
Proceeds from trust receipt loans and bank borrowings	**730,705**	596,527
Repayments of loans from the ultimate holding company	**(50,631)**	(85,051)
Repayment of lease liabilities	**(867)**	(1,386)
	(12,591)	(204,879)
Net increase in cash and cash equivalents	**18,626**	7,839
Cash and cash equivalents at beginning of the period	**111,993**	41,412
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	**1,507**	310
Cash and cash equivalents at end of the period	**132,126**	49,561

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2026

1. BASIS OF PREPARATION

Willas-Array Electronics (Holdings) Limited (the "Company") was incorporated in Bermuda on August 3, 2000 as an exempted company with limited liability under the Companies Act 1981 of Bermuda with its registered office at Victoria Place, 5/F, 31 Victoria Street, Hamilton HM10, Bermuda. Its principal place of business is located at 24/F, Wyler Centre, Phase 2, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong. The issued ordinary shares of the Company are listed and traded on the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the Main Board of The Stock Exchange of Hong Kong Limited (the "SEHK"). The condensed consolidated financial statements of the Group are presented in Hong Kong dollars which is also the functional currency of the Company. All values are rounded to the nearest thousand except otherwise indicated.

The immediate holding company of the Company is Texin (HongKong) Electronics Co. Limited, which is in turn wholly owned by Shanghai YCT Electronics Group Co., Ltd. ("Shanghai YCT"), a company incorporated in the People's Republic of China (the "PRC") with its shares listed on the Shenzhen Stock Exchange.

The principal activity of the Company is investment holding and the Company's subsidiaries are principally engaged in the trading of electronic components.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" issued by the International Accounting Standards Board ("IASB") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the SEHK (the "HK Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments, which are measured at fair values, as appropriate.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of the following amended International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial statements.

Amendments to IFRS 9 and IFRS 7	*Classification and Measurement of Financial Instruments*
Amendments to IFRS Accounting Standards	*Annual Improvements to IFRS Accounting Standards – Volume 11*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*

2. PRINCIPAL ACCOUNTING POLICIES – continued

The nature and impact of the amended IFRS Accounting Standard are described below:

(a) In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments had no impact on the Group's interim condensed financial statements.

(b) In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's interim condensed financial statements.

(c) In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts.

- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts.

- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments had no impact on the Group's interim condensed financial statements.

3. SEGMENT INFORMATION

The Group is engaged in the trading of electronic components. Information reported to the executive directors of the Company, being the Group's chief operating decision maker (the "CODM") for the purposes of resource allocation and assessment of performance is based on geographical locations as follows:

- Southern China Region;
- Northern China Region; and
- Taiwan

In addition, the CODM also reviews revenue by customers' market industries.

The CODM focuses on reportable segment profit which is gross profit earned by each segment. Other income, distribution costs, administrative expenses, other gains and losses, impairment losses (recognised) reversed under ECL model and finance costs are excluded from segment results.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

3. SEGMENT INFORMATION – continued

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended June 30, 2026 (Unaudited)

	Trading of electronic components					
	Southern China Region *HK$'000*	**Northern China Region** *HK$'000*	**Taiwan** *HK$'000*	**Sub-total** *HK$'000*	**Elimination** *HK$'000*	**Total** *HK$'000*
Revenue						
Sales – external	**568,213**	**769,726**	**137,252**	**1,475,191**	**–**	**1,475,191**
Sales – inter-company	**309,260**	**390,211**	**–**	**699,471**	**(699,471)**	**–**
	877,473	**1,159,937**	**137,252**	**2,174,662**	**(699,471)**	**1,475,191**
Cost of sales	**(818,462)**	**(1,083,416)**	**(121,715)**	**(2,023,593)**	**699,471**	**(1,324,122)**
Gross profit/segment results	**59,011**	**76,521**	**15,537**	**151,069**	**–**	**151,069**
Other income						**5,863**
Distribution costs						**(15,382)**
Administrative expenses						**(68,947)**
Other gains and losses						**811**
Impairment losses recognised under ECL model, net						**(784)**
Finance costs						**(11,384)**
Profit before tax						**61,246**
Income tax credit						**224**
Profit attributable to owners of the Company						**61,470**

3. **SEGMENT INFORMATION** – continued

Six months ended June 30, 2025 (Unaudited)

	Trading of electronic components					
	Southern China Region *HK$'000*	Northern China Region *HK$'000*	Taiwan *HK$'000*	Sub-total *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Revenue						
Sales – external	474,988	579,863	103,993	1,158,844	–	1,158,844
Sales – inter-company	248,910	331,311	–	580,221	(580,221)	–
	723,898	911,174	103,993	1,739,065	(580,221)	1,158,844
Cost of sales	(676,128)	(856,794)	(92,424)	(1,625,346)	580,221	(1,045,125)
Gross profit/segment results	47,770	54,380	11,569	113,719	–	113,719
Other income						2,334
Distribution costs						(10,977)
Administrative expenses						(70,768)
Other gains and losses						(5,650)
Impairment losses reversed under ECL model, net						7,006
Finance costs						(16,011)
Profit before tax						19,653
Income tax credit						1,073
Profit attributable to owners of the Company						20,726

The management monitors the Group's assets and liabilities in one pool, which is more efficient and effective. Accordingly, no segment assets and liabilities information was presented to the CODM.

4. INCOME TAX CREDIT

	For the six months ended June 30,	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
The income tax credit comprises:		
Current tax:		
– Hong Kong	**205**	285
– Taiwan	**–**	21
	205	306
Under provision in respect of prior period:		
– Hong Kong	**–**	33
– Taiwan	**–**	22
	–	55
Deferred tax:		
– Credit to the period	**(429)**	(1,434)
	(224)	(1,073)

The Company and subsidiaries of the Company incorporated in Hong Kong were subject to Hong Kong Profits Tax at the rate of 16.5% for the six months ended June 30, 2026 and 2025.

Under the Law of the PRC on EIT (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2025: 25%). The tax rate of the Taiwan subsidiary is 20% (2025: 20%).

5. PROFIT FOR THE PERIOD

Profit for the period has been arrived at or after charging (crediting):

	For the six months ended June 30,	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories recognised as expenses *(Note i)*	**1,324,122**	1,045,125
Depreciation of property, plant and equipment	**4,957**	5,931
Depreciation of right-of-use assets	**933**	1,244
Directors' emoluments *(Note ii)*	**1,490**	1,781
Gain on disposal of property, plant and equipment	**(59)**	–
Audit fees		
Paid to auditor of the Company	**660**	819
Paid to other auditors	**270**	269
Non-audit fees		
Paid to auditor of the Company	**–**	–
Paid to other auditors	**–**	–
Staff costs (excluding directors' emoluments) *(Note ii)*	**56,012**	49,581
Net foreign exchange (gain) loss	**(752)**	5,650
Interest income from bank deposits	**(279)**	(179)
Interest expense on borrowings	**11,314**	15,895

Notes:

(i) During the six months ended June 30, 2026, the amount included reversal of allowance for inventories amounting to HK$17,887,000 (2025: HK$18,891,000).

(ii) During the six months ended June 30, 2026, cost of defined contribution plans amounting to HK$7,929,000 (2025: HK$7,218,000) was included in staff costs and directors' emoluments.

6. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment of HK$487,000 (2025: HK$339,000). In addition, the Group disposed of certain property, plant and equipment with a carrying amount of nil (2025: nil), resulting in a gain of HK$59,000 (2025: nil).

7. TRADE RECEIVABLES

	As at June 30, 2026 HK$'000 (Unaudited)	As at December 31, 2025 HK$'000 (Audited)
Trade receivables	**884,769**	697,431
Less: allowance for credit losses	**(6,622)**	(5,640)
	878,147	691,791

The Group allows a credit period of 30 to 120 days (December 31, 2025: 30 to 120 days) to its trade customers.

The following is an aging analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date or bills issuance date at the end of the reporting periods:

	As at June 30, 2026 HK$'000 (Unaudited)	As at December 31, 2025 HK$'000 (Audited)
Within 60 days	**536,041**	407,356
61 to 90 days	**174,866**	136,160
Over 90 days	**167,240**	148,275
	878,147	691,791

8. AMOUNTS DUE FROM RELATED COMPANIES

	As at June 30, 2026 HK$'000 (Unaudited)	As at December 31, 2025 HK$'000 (Audited)
Trade balance *(Note)*	**1,023**	1,192

Amounts due from related companies are trade-related, unsecured, interest-free and with a credit period of 30 days.

Note: Shanghai YCT (listed on ChiNext Board of the Shenzhen Stock Exchange) and its subsidiaries are defined as related companies.

9. AMOUNTS DUE TO RELATED COMPANIES

	As at June 30, 2026 *HK$'000* **(Unaudited)**	As at December 31, 2025 *HK$'000* (Audited)
Amounts due to associate *(Note ii)*:		
Non-trade balance	**3,860**	3,860
Amounts due to other related companies *(Note i)*:		
Trade balance	**553**	500
	4,413	4,360

Amounts due to related companies are unsecured, interest-free and repayable on demand.

Note i: Shanghai YCT (listed on ChiNext Board of the Shenzhen Stock Exchange) and its subsidiaries are defined as related companies.

Note ii: GW Electronics Company Limited is defined as a related company.

10. TRANSFER OF FINANCIAL ASSETS

As at June 30, 2026, the Group's trade receivables amounting to HK$160,920,000 (December 31, 2025: HK$149,823,000) were transferred to banks by discounting those trade receivables and bills receivables amounting to HK$43,528,000 (December 31, 2025: HK$20,267,000) on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the receivables and has recognised the cash received on the transfer as secured borrowings amounting to HK$172,264,000 (December 31, 2025: HK$140,125,000).

11. TRADE PAYABLES

The following is an aging analysis of trade payables presented based on the invoice date or bills issuance date at the end of the reporting periods:

	As at June 30, 2026 *HK$'000* **(Unaudited)**	As at December 31, 2025 *HK$'000* (Audited)
Within 30 days	**217,260**	212,453
31 to 60 days	**110,167**	7,485
61 to 90 days	**7,798**	2,445
	335,225	222,383

12. LOANS FROM THE ULTIMATE HOLDING COMPANY

On September 29, 2025, Shanghai YCT, the ultimate controlling shareholder of the Company, entered into loan agreement (the "2025 Loan") with the Company together with the Company's PRC subsidiaries to replenish the Group's working capital and for repayment of the Group's higher-interest-rate trust receipt loans. According to the 2025 Loan, Shanghai YCT would grant loans at the aggregating amount not more than RMB100,000,000 with effective interest rate at 4.8% per annum to the Company and the Company's PRC subsidiaries.

These loans are unsecured and repayable in one year. The provision of the Loan from Shanghai YCT to the Company constitutes a connected transaction of the Company under Chapter 14A of the HK Listing Rules. However, as the Loan is conducted on normal commercial terms or better and it is not secured by the assets of the Group, the Loan is fully exempted from the announcement, circular, independent financial advice and Shareholders' approval requirements under pursuant to Rule 14A.90 of the HK Listing Rules.

As at June 30, 2026, the loan was fully repaid. As at December 31, 2025, the carrying amount of the loan from Shanghai YCT was HK$49,601,000, including loan interest of HK$118,000.

13. SHARE CAPITAL

	Number of shares	**Share capital**
	'000	*HK$'000*
Ordinary shares of HK$1.0 each		
Authorised		
At January 1, 2025 (Audited), June 30, 2025 (Unaudited), January 1, 2026 (Audited) and June 30, 2026 (Unaudited)	**120,000**	**120,000**
Issued and paid up		
At January 1, 2025 (Audited) and June 30, 2025 (Unaudited)	87,692	87,692
Exercise of share options	297	297
Issuance of ordinary shares *(Note)*	15,000	15,000
At January 1, 2026 (Audited) and June 30, 2026 (Unaudited)	**102,989**	**102,989**

The Company has no treasury shares.

Note: On June 12, 2025, the Company entered into six separate subscription agreements with each of the six subscribers respectively, pursuant to which the Company has agreed to allot and issue and the six subscribers have conditionally agreed to subscribe for an aggregate of 15,000,000 new shares at the subscription price of HK$2.66 (equivalent to approximately S$0.44 based on the prevailing exchange rate of S$ to HK$ of S$1 to HK$6.09) per subscription share on the terms and subject to the conditions set out in the subscription agreements. The subscriptions were completed on July 15, 2025.

14. SHARE-BASED PAYMENTS

The Company had on July 30, 2013 adopted the Willas-Array Electronics Employee Share Option Scheme III ("ESOS III") to grant share options to eligible employees, including the executive directors of the Company and its subsidiaries.

On December 2, 2020, the Company granted share options exercisable for 3,835,000 ordinary shares of HK$1.00 each of the Company to certain eligible employees under ESOS III with an exercise price of HK$2.61 per share. The period for the exercise of the share options will commence after the first anniversary of the date of grant and expire on the tenth anniversary of such date of grant. The total estimated fair value as at the date of grant was approximately HK$2,817,000.

During the current interim period, share options holders under ESOS III did not exercise any of their share options nor subscribe for shares of the Company.

The table below discloses movement of the Company's share options granted under ESOS III:

	Number of share options
Outstanding share options for ordinary shares at January 1, 2025 (Audited) and June 30, 2025 (Unaudited)	347,000
Forfeited during the period	(50,000)
Exercised during the period	(297,000)
Outstanding share options for ordinary shares at January 1, 2026 (Audited) and June 30, 2026 (Unaudited)	**–**

14. SHARE-BASED PAYMENTS – continued

Fair values of the share options granted under ESOS III were calculated using the Binomial option pricing model. The inputs into the model were as follows:

	ESOS III	ESOS III
Grant date	December 2, 2020	July 17, 2017 *(Note)*
Share price at valuation date	HK$2.25	HK$4.07
Exercise price	HK$2.61	HK$4.30
Expected volatility	35.49%	48.41%
Risk-free rate	0.59%	1.49%
Expected dividend yield	0.00%	7.62%
Expected life	10 years	10 years
Exercisable period	9 years	9 years
Vesting period	1 year	1 year
Fair value per share option	HK$0.73	HK$1.23

Note: During the prior years, upon the bonus issue of shares becoming effective on August 28, 2018, (i) the exercise price of the outstanding share options granted under ESOS III was adjusted to HK$3.91 per share; and (ii) the respective numbers of underlying shares comprised in the outstanding share options under ESOS III of the Company have been adjusted accordingly.

15. DIVIDEND

No dividend was declared and paid during the six months ended June 30, 2026 and 2025.

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2026 (2025: nil).

16. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following:

	Group Figures			
	For the six months ended June 30, 2026 (Unaudited)		For the six months ended June 30, 2025 (Unaudited)	
	Basic	**Diluted**	Basic	Diluted
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Profit attributable to owners of the Company	**61,470**	**61,470**	20,726	20,726
	No. of shares	**No. of shares**	No. of shares	No. of shares
Weighted average number of ordinary shares	**102,989,049**	**102,989,049**	87,692,049	87,692,049
Adjustment for dilutive potential ordinary shares	**–**	**–**	–	9,969
Weighted average number of ordinary shares used to compute earnings per share	**102,989,049**	**102,989,049**	87,692,049	87,702,018
Earnings per share (HK cents)	**59.69**	**59.69**	23.63	23.63

The computation of diluted earnings per share for the six months ended June 30, 2026 and 2025 did not assume the exercise of certain of share options granted by the Company when the exercise price of those share options was higher than the average market price of the shares for the period.

17. NET ASSET VALUE

The net asset value per ordinary share on each of the Group and Company level is shown below:

	Group Figures		Company Figures	
	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)	**As at June 30, 2026 (Unaudited)**	As at December 31, 2025 (Audited)
Net asset value per ordinary share based on the number of issued shares of the Company at the end of the period/year (HK cents)	**561.67**	492.70	**432.04**	432.26

The net asset backing per ordinary share as at June 30, 2026 was based on a total of 102,989,049 (December 31, 2025: 102,989,049) issued ordinary shares.

18. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

As at June 30, 2026

	As at June 30, 2026 *HK$'000* (Unaudited)	As at December 31, 2025 *HK$'000* (Audited)
Non-current assets		
Amount due from a subsidiary	**33,814**	33,814
Interests in subsidiaries	**179,478**	179,478
Total non-current assets	**213,292**	213,292
Current assets		
Amounts due from subsidiaries	**231,949**	233,633
Deposits and prepayments	**203**	261
Cash and cash equivalents	**2,037**	1,556
Total current assets	**234,189**	235,450
Total assets	**447,481**	448,742
Current liabilities		
Amount due to a subsidiary	**1,594**	1,667
Other payables	**801**	1,817
Income tax payable	**131**	73
Total current liabilities	**2,526**	3,557
Net current assets	**231,663**	231,893
Total assets less current liabilities	**444,955**	445,185
Capital and reserves		
Share capital	**102,989**	102,989
Reserves	**341,966**	342,196
Equity attributable to owners of the Company	**444,955**	445,185
Total liabilities and equity	**447,481**	448,742

19. INFORMATION ABOUT THE STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

For the six months ended June 30, 2026

	Share capital *HK$'000*	Capital reserves *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*
At January 1, 2025 (Audited)	87,692	198,638	116,193	402,523
Profit for the period, representing total comprehensive income for the period	–	–	768	768
At June 30, 2025 (Unaudited)	87,692	198,638	116,961	403,291
At January 1, 2026 (Audited)	102,989	224,365	117,831	445,185
Loss for the period, representing total comprehensive expense for the period	–	–	(230)	(230)
At June 30, 2026 (Unaudited)	**102,989**	**224,365**	**117,601**	**444,955**

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group recorded its profit to approximately HK$61.5 million for the six months ended June 30, 2026 ("1H FY2026") as compared to a profit of approximately HK$20.7 million for the six months ended June 30, 2025 ("1H FY2025"). The significant improvement in the Group's financial performance during the 1H FY2026 is mainly attributable to:

(i) significant improvement in sales revenue during 1H FY2026 as compared with 1H FY2025;

(ii) decrease in finance costs in 1H FY2026 mainly due to fully repayment of loans from the ultimate holding company in 1H FY2026. No new loan agreements were entered into during 1H FY2026, as well as a lower weighted average effective interest rate compared to 1H FY2025 resulting from an improved loan portfolio of trust receipt loans and bank borrowings; and

(iii) exchange gains in 1H FY2026 as compared to exchange losses in 1H FY2025, arising from the appreciation of the Renminbi against Hong Kong dollar.

Revenue

The Group's revenue increased by 27.3% to HK$1,475.2 million in 1H FY2026 as compared to HK$1,158.8 million in 1H FY2025. This was due to improve in sales across all its segments except for the Lighting segment.

Revenue by Market Segment Analysis

	1H FY2026		1H FY2025		Increase/(Decrease)	
	HK$'000	***%***	*HK$'000*	*%*	*HK$'000*	*%*
Automotive	**432,577**	**29.3%**	332,102	28.7%	100,475	30.3%
Industrial	**355,918**	**24.1%**	298,886	25.8%	57,032	19.1%
Home Appliance	**193,146**	**13.1%**	190,322	16.4%	2,824	1.5%
Electronic Manufacturing Services ("EMS")	**154,433**	**10.5%**	101,819	8.8%	52,614	51.7%
Audio and Video	**104,827**	**7.1%**	64,179	5.5%	40,648	63.3%
Dealer	**100,735**	**6.8%**	79,792	6.9%	20,943	26.2%
Telecommunications	**92,010**	**6.2%**	63,527	5.5%	28,483	44.8%
Others	**27,440**	**1.9%**	13,278	1.1%	14,162	106.7%
Lighting	**14,105**	**1.0%**	14,939	1.3%	(834)	–5.6%
	1,475,191	**100.0%**	1,158,844	100.0%	316,347	27.3%

Automotive

Revenue from the Automotive segment increased by approximately 30.3% to HK$432.6 million in 1H FY2026, representing 29.3% of the Group's total revenue and remaining the Group's largest market segment. The growth was driven by accelerating automotive intelligence and deeper relationships with leading EV customers, which lifted our share of wallet.

Industrial

Revenue from the Industrial segment increased by approximately 19.1% to HK$355.9 million in 1H FY2026, accounting for 24.1% of the Group's total revenue. The recovery was supported by a broad-based rebound in industrial automation, robotics, and edge-intelligence spending. Demand for industrial-grade MCUs, isolation components, and high-reliability power management ICs continued to strengthen as customers accelerated factory digitalization and predictive-maintenance programs. We broadened its product portfolio in factory automation, servo drives, and renewable-energy applications, driving a return to growth after last year's contraction.

Home Appliance

Revenue from the Home Appliance segment recorded a marginal increase of approximately 1.5% to HK$193.1 million in 1H FY2026, contributing 13.1% of the Group's total revenue. Segment performance reflected a mixed environment: domestic replacement-cycle demand was partly supported by the trade-in subsidy program. Despite intensified competition from domestic brands, the market share we gained through service quality increased slightly.

EMS

Revenue from the EMS segment increased by approximately 51.7% to HK$154.4 million in 1H FY2026, lifting the segment's share of Group revenue from 8.8% to 10.5%. The rebound was mainly driven by new line introductions and expanded share within key lines.

Audio and Video

Revenue from the Audio and Video segment recorded a significant increase of approximately 63.3% to HK$104.8 million in 1H FY2026, raising the segment's contribution to 7.1% of Group revenue. The recovery was driven by proactive inventory positioning and a broader customer base.

Dealer

Revenue from the Dealer segment increased by approximately 26.2% to HK$100.7 million in 1H FY2026, representing 6.8% of the Group's total revenue. The recovery was supported by tight market supply, extended lead time, and expanded order coverage.

Telecommunications

Revenue from the Telecommunications segment increased by approximately 44.8% to HK$92.0 million in 1H FY2026, contributing 6.2% of the Group's total revenue. The growth was driven by stronger smartphone demand in 1H FY2026 and the ramp-up of new product lines.

Others

Revenue from the Others segment more than doubled, increasing by approximately 106.7% to HK$27.4 million in 1H FY2026, raising its share of Group revenue from 1.1% to 1.9%. The exceptional growth was driven by newly acquired customers, expanded product portfolios, reinforced partnerships with suppliers and clients, which collectively enabled the Group to capture a larger share of business.

Lighting

Revenue from the Lighting segment decreased by approximately 5.6% to HK$14.1 million in 1H FY2026, accounting for 1.0% of the Group's total revenue. The decline reflected continued structural pressure in the general-LED market, where price competition intensified and several core customers further migrated to direct procurement from LED chip suppliers.

Gross Profit Margin

The Group's gross profit margin increased to 10.2% in 1H FY2026 from 9.8% in 1H FY2025 primarily due to the increased sales volume of high-margin products and gains from acquisition of new customers and launch new products line, also as market demand recovered, and our continued effort on inventory management, we do not have low-priced inventory clearance sales in 1H FY2026 as what we had in 1H FY2025, resulting in product pricing returned to normal levels.

Other Income

Other income increased by HK$3.6 million to HK$5.9 million in 1H FY2026 from HK$2.3 million in 1H FY2025, mainly driven by an increase in rental income of HK$3.2 million.

Distribution Costs

Distribution costs increased by HK$4.4 million to HK$15.4 million in 1H FY2026, compared to HK$11.0 million in 1H FY2025, mainly due to increased sales and the increased sales incentive expenses.

Administrative Expenses

Administrative expenses slightly declined by HK$1.8 million, or 2.6% to HK$69.0 million in 1H FY2026 from HK$70.8 million in 1H FY2025. The reduction was primarily due to the Group's proactive review and streamlining of its cost structure, aimed at enhancing better capital efficiency across operations.

Other Gains and Losses

Other gains amounted to HK$0.8 million in 1H FY2026. The increase in other gains was mainly due to an increase in exchange gains amounting approximately HK$0.8 million arising from the appreciation of the Renminbi ("RMB") against both the US dollar ("USD") and the Hong Kong dollar ("HKD") during 1H FY2026 as compared to 1H FY2025.

Impairment Losses (Recognised) Reversed Under Expected Credit Loss Model, Net

Impairment losses of HK$0.8 million in 1H FY2026 (1H FY2025: net reversal of impairment losses of HK$7.0 million) represented the impairment losses on trade receivables.

Finance Costs

Finance costs, which comprise interest expenses on trust receipt loans, bank borrowings, loans from the ultimate holding company and interest on lease liabilities, decreased significantly by HK$4.6 million or 28.9% to HK$11.4 million in 1H FY2026 from HK$16.0 million in 1H FY2025. The decrease was mainly due to net effect of: (i) the lower interest expenses on loans from the ultimate holding company compared to the same period last year due to fully repayment of loans from the ultimate holding company in 1H FY2026; and (ii) a decrease in the weighted average effective interest rate in 1H FY2026 as compared with 1H FY2025 by better loan portfolio which comprises trust receipt loans and bank borrowings.

LIQUIDITY AND FINANCIAL RESOURCES

Financial Position

Trust receipt loans decreased by HK$10.2 million to HK$64.8 million as at June 30, 2026, from HK$75.0 million as at December 31, 2025. The decrease was mainly due to lower drawdown of trust receipt loans compared to December 31, 2025.

Trade payables increased to HK$335.2 million as at June 30, 2026, from HK$222.4 million as at December 31, 2025. The increase was mainly due to the increased purchases towards the end of the current interim period as compared with the purchases towards December 31, 2025.

Trade receivable increased by HK$186.3 million to HK$878.1 million as at June 30, 2026, from HK$691.8 million as at December 31, 2025. The increase was due to higher sales revenue towards the end of the current interim period compared with the sales revenue towards December 31, 2025.

As at June 30, 2026, the Group's current ratio (current assets divided by current liabilities) was 1.38 (December 31, 2025: 1.35).

Inventories

Inventories decreased to HK$314.4 million as at June 30, 2026, from HK$335.2 million as at December 31, 2025. The inventory turnover days also improved, decreasing to 1.4 months as at June 30, 2026, from 1.9 months as at December 31, 2025.

Cash Flow

As at June 30, 2026, the Group had a working capital of HK$363.6 million which included a cash balance of HK$132.1 million, as compared to a working capital of HK$296.8 million which included a cash balance of HK$112.0 million as at December 31, 2025. The increase in cash by HK$20.1 million was primarily attributable to the net effect of cash inflow of HK$34.0 million generated from operating activities and cash outflow of HK$12.6 million used in financing activities. The Group's cash balance was mainly denominated in USD, RMB and HKD.

Cash inflow in operating activities was mainly due to the decrease in inventories and increase in trade payables.

Cash outflow from financing activities was mainly attributable to the net effect of (i) decrease in trust receipt loans; (ii) increase in bank borrowings; and (iii) fully repayment of loans from the ultimate holding company in 1H FY2026.

Borrowings and Banking Facilities

As at June 30, 2026, the Group had bank borrowings of HK$525.4 million, which were repayable within one year. Among the Group's bank borrowings, 83.7% was denominated in RMB and the remainder was denominated in HKD. As at June 30, 2026, the fixed-rate bank borrowings and the variable-rate bank borrowings accounted for 90.3% and 9.7%, respectively. The fixed-rate bank borrowings bore interest at a weighted average effective rate of 3.04% per annum, while variable-rate bank borrowings bore interest at a weighted average effective rate of 4.22% per annum.

As at June 30, 2026, trust receipt loans of HK$64.8 million were secured and repayable within one year and bore interest at a weighted average effective rate of 5.43% per annum. 100% of the trust receipt loans was denominated in HKD. As at June 30, 2026, the Group had unutilised banking facilities of HK$152.9 million (December 31, 2025: HK$219.7 million).

As at June 30, 2026, the Group had fully repaid the loans from the ultimate holding company (December 31, 2025: HK$49.6 million).

The aggregate amount of the Group's borrowings and debt securities was as follows:

Amount repayable in one year or less, or on demand

As at June 30, 2026		As at December 31, 2025	
Secured	**Unsecured**	Secured	Unsecured
HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
206,603	**318,760**	164,849	295,676

As at June 30, 2026, the Group's trade receivables amounting to HK$160.9 million (December 31, 2025: HK$149.8 million) were transferred to banks by discounting those trade receivables and bills receivables amounting to HK$43.5 million (December 31, 2025: HK$20.3 million) on a full recourse basis. As the Group had not transferred the significant risks and rewards relating to these receivables, it had continued to recognise the full carrying amount of the receivables and had recognised the cash received on the transfer as secured borrowings amounting to HK$172.3 million (December 31, 2025: HK$140.1 million).

As at June 30, 2026, the Group's remaining secured bank borrowings amounting to HK$34.3 million (December 31, 2025: HK$24.7 million) had been secured by the pledge of certain bills receivables held by the Group amounted to nil (December 31, 2025: nil).

Foreign Exchange Risk Management

The Group operates in Hong Kong, the PRC and Taiwan. It incurred foreign currency risk mainly from sales and purchases that were denominated in currencies other than its functional currencies. Sales are mainly denominated in USD, RMB and HKD whereas purchases are mainly denominated in USD, Japanese yen ("JPY"), RMB and HKD. Therefore, the exposure to foreign exchange rate risks mainly arises from fluctuations in foreign currencies against the functional currencies. Given the pegged foreign exchange rate between HKD and USD, the exposure of entities that use HKD as their respective functional currencies to the fluctuations in USD is minimal. However, foreign exchange rate fluctuations between RMB and USD, RMB and JPY, HKD and JPY, or Taiwan dollars and USD could affect the Group's performance and asset value. The Group has a foreign currency hedging policy to monitor and maintain its foreign exchange exposure at an acceptable level.

Net Gearing Ratio

As at June 30, 2026, the Group's net gearing ratio was 79.2% (December 31, 2025: 94.0%). The net gearing ratio was derived by dividing net debts (representing interest-bearing bank borrowings, trust receipt loans, loans from the ultimate holding company and bills payables minus cash and cash equivalents and restricted bank deposits) by shareholders' equity at the end of a given period and multiplied by 100%. The decrease was mainly due to decrease in loans from the ultimate holding company, increases in cash and cash equivalents and shareholders' equity (resulting from the profit in respect of 1H FY2026).

STRATEGY AND PROSPECTS ***(A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months)***

Building on the strong 1H FY2026 performance, the Group will pursue the following strategic priorities to convert emerging industry tailwinds into durable shareholder value:

Enhancing Our Value to Customers

The Group will sharpen its focus on solving critical customer pain points – cost reduction, shortage delivery, and proactive inventory support. A dedicated non-franchise team has been established to source hard-to-find parts on a project basis, while the Group will onboard additional low-, mid- and high-end product lines to give customers a wider range of choices. The Group will also continue building an Asia-wide logistic network to support customers' overseas expansion, and concentrate its go-to-market efforts on future high-potential verticals, prioritizing quality customer accounts.

Enhancing Our Value to Suppliers

Large distributors typically provide limited support to small- and mid-sized suppliers. The Group will deepen demand-creation engagement with these suppliers to unlock new customer accounts, while in turn capturing incremental fulfilment revenue. The Group will also strengthen new-product promotion with existing suppliers to broaden its customer base.

Build up Talent Pipeline and Aggressive Corporate Culture

The Group will continue to build a high-performing talent pipeline and foster an enterprising, results-oriented team culture. By combining internal cultivation of business talent with selective external recruitment of experienced professionals, the Group will strengthen its succession bench and ensure its people capability scales with the business.

Building on the 27.3% revenue growth and the broad-based segment expansion delivered in 1H FY2026, the Group enters the second half of the year with positive momentum. The Group will continue to invest selectively in high-growth product lines, deepen its synergy with Shanghai YCT, and progressively expand its overseas platform to convert today's structural tailwinds into long-term, profitable growth. While mindful of risks from geopolitical tensions, memory-price volatility and broader economic uncertainties, the Group remains confident that its customer– and supplier-centric strategy, high-performing talent pipeline, and disciplined execution will deliver sustainable growth and lasting shareholder value.

IMPORTANT EVENTS AFFECTING THE GROUP AFTER THE END OF THE INTERIM PERIOD

Reference is made to the Company's announcement dated July 9, 2026, in which the Company's subsidiaries have entered into a mutual customer referral framework agreement with Shanghai YCT's subsidiaries, pursuant to which the parties shall mutually refer potential customers to the other party, facilitate business introductions and promote commercial opportunities and negotiations with such customers. Such agreement is effective for an initial term ending on December 31, 2026.

Save as disclosed in this announcement, no other important events affecting the Group have occurred after the end of the interim period.

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended June 30, 2026 (1H FY2025: nil) as the Group intends to retain cash for its business operations and future growth.

EMPLOYEES AND REMUNERATION POLICIES

As at June 30, 2026, the Group had a workforce of 304 (December 31, 2025: 293) full-time employees, of which 18.4% worked in Hong Kong, 76.6% in the PRC and the remainder in Taiwan.

The Group actively pursues a strategy of recruiting, retaining and developing talented employees by (i) providing them with regular training programmes to ensure that they are kept abreast of the latest information pertaining to the products distributed by the Group, technological developments and market conditions of the electronics industry; (ii) aligning employees' compensation and incentives or bonus with their performance; and (iii) providing them with a clear career path with opportunities for taking on additional responsibilities and securing promotions.

While the Group's employees in Hong Kong and Taiwan are required to participate in the mandatory provident fund scheme and a defined contribution pension scheme respectively, the Group makes contributions to various government-sponsored employee-benefit funds, including social insurance fund, housing fund, basic pension insurance fund and unemployment, maternity and work-related insurance funds for its employees in the PRC in accordance with the applicable PRC laws and regulations.

Further, the remuneration committee of the Board reviews and recommends to the Board the remuneration and compensation packages of the Directors and senior management of the Group by reference to the salaries paid by comparable companies, their time commitment, responsibilities and performance as well as the financial results of the Group. No Director is involved in deciding his or her own remuneration.

CHARGES ON THE GROUP'S ASSETS

As at June 30, 2026, the Group pledged certain properties of HK$62.3 million (December 31, 2025: HK$64.5 million) to secure trust receipt loans of HK$64.8 million (December 31, 2025: HK$75.0 million) and bank borrowings of HK$34.3 million (December 31, 2025: HK$24.7 million).

CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at June 30, 2026 (December 31, 2025: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended June 30, 2026, the Company did not redeem any of its securities listed on the Main Board of the SEHK and the SGX-ST nor did the Company or any of its subsidiaries purchase or sell any of such securities (including the sale of treasury shares). As at June 30, 2026, there were no treasury shares (as defined under the HK Listing Rules) held by the Company.

COMPLIANCE WITH CORPORATE GOVERNANCE CODES

The Board and the Company's management are committed to maintaining high standards of corporate governance. The Board firmly believes that conducting the Group's business in a transparent and responsible manner and following good corporate governance practices serve its long-term interests and those of the shareholders of the Company (the "Shareholders"). The Board considers that during the six months ended June 30, 2026, the Company had complied with all the code provisions set out in the Corporate Governance Code as contained in Part 2 of Appendix C1 to the HK Listing Rules (the "HK CG Code") and the Code of Corporate Governance 2018 of Singapore (last amended January 11, 2023) (the "Singapore CG Code") except those stated in paragraph 3 of this section.

In the event of any conflict among the HK CG Code, the Singapore CG Code and the bye-laws of the Company, the Company will comply with the most onerous provisions. As such, the Board considers that sufficient measures are in place to ensure the adequateness of the Company's corporate governance practices relating to, amongst others, the appointment, retirement and re-election of Directors (including independent non-executive Directors (the "INEDs")).

Provision C.2.1 of the HK CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Provision 3.1 of the Singapore CG Code stipulates that the chairman and the chief executive officer are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. Mr. Xie Lishu ("Mr. Xie") currently assumes the roles of both the chairman of the Board and the chief executive officer of the Company, and has been assuming such roles since October 22, 2025. Mr. Xie has extensive experience and in-depth knowledge in distribution of electronic components business. The Board believes that it is in the best interest of the Company to vest both roles in Mr. Xie, which provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. A lead independent director has been appointed to provide leadership in situations where conflict of interest potentially exists when the chairman executes his duties and INEDs have made up a majority of the Board. The Board believes that a balance of power and authority has been and will be maintained.

COMPLIANCE WITH HONG KONG MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the HK Listing Rules (the "HK Model Code") as its own code of conduct for dealing in the securities of the Company by the Directors. Following a specific enquiry made by the Company with each of the current Directors, all of them confirmed that they had complied with the required standards as set out in the HK Model Code throughout the six months ended June 30, 2026.

REVIEW BY AUDIT COMMITTEE

The Board has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the HK CG Code, the HK Listing Rules, the Singapore CG Code and the Main Board rules of the Listing Manual of the SGX-ST. The Audit Committee currently comprises all of the four INEDs, namely Lau Chin Huat (committee chairman), Chong Eng Wee, Tso Sze Wai and Jiang Maolin.

The Group's unaudited interim results and the Company's draft interim report for the six months ended June 30, 2026 (the "Interim Report") have been reviewed by the Audit Committee and the Audit Committee is of the opinion that the preparation of the statements complies with the applicable accounting standards and that adequate disclosures have been made.

PUBLICATION OF INFORMATION ON THE WEBSITES OF HONG KONG EXCHANGES AND CLEARING LIMITED (THE "HKEX"), THE COMPANY AND THE SGX-ST

This results announcement is published on the website of the HKEX at www.hkexnews.hk, the website of the Company at www.willas-array.com.cn and the website of the SGX-ST at www.sgx.com. The Interim Report will be despatched to Hong Kong Shareholders whose names appear on the register of members of the Company's Hong Kong branch share registrar and transfer office. Singapore Shareholders may submit their requests to the Company for a printed copy of the Interim Report. The Interim Report will be published on the respective websites of the HKEX, the Company and the SGX-ST in due course in the manner as required by the HK Listing Rules and the Listing Manual of the SGX-ST.

SUPPLEMENTARY INFORMATION

1. ***Where a forecast, or a prospect statement, has been previously disclosed to Shareholders, any variance between it and the actual results***

   As disclosed in the announcement on profit guidance dated July 21, 2026, no material variance between the mentioned announcement and the actual results was noted.

2. ***If the Group has obtained a general mandate from Shareholders for interest person transactions (the "IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the SGX-ST. If no IPT mandate has been obtained, a statement to that effect***

   The Group has not obtained a general mandate from the Shareholders for IPTs. Save as disclosed below, there are no IPTs amounting to S$100,000 and above entered into during the six months ended June 30, 2026. Please refer to the Company's announcements dated January 30, 2026, March 11, 2026 and June 23, 2026 for more information.

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual of the SGX-ST)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual of the SGX-ST (excluding transactions less than S$100,000)	
		(HK$)	*(S$)*[1]	*(HK$)*	*(S$)*
Shanghai YCT and its subsidiaries	The controlling shareholder of the Company, and its subsidiaries	2,999,999.00[2]	495,294.54	–	–
		2,999,999.00[3]	495,294.54	–	–
Shenzhen E-MANTECH Ltd	A subsidiary of Shanghai YCT, the controlling shareholder of the Company	1,412,623.00[4]	233,221.56	–	–
		5,400,000.00[5]	891,530.46	–	–
Texin (Hongkong) Electronics Co. Limited	A subsidiary of Shanghai YCT, the controlling shareholder of the Company	960,000.00[6]	158,494.30	–	–

Notes:

(1) The Singapore dollar equivalents are based on the exchange rate prevailing as at July 9, 2026 for the purposes of determining the applicable thresholds under Rule 905 of the Listing Manual of the SGX-ST.

(2) Supply of semiconductor electronic component products by the Group pursuant to a master supply framework agreement. For the avoidance of doubt, the value of the supply reflects transactions conducted pursuant to the master supply framework agreement prior to the amendments effected by its supplemental deed announced by the Company on June 23, 2026. The master supply framework agreement, as amended by the supplemental deed, is proposed to be covered by a general mandate pursuant to Rule 920 of the Listing Manual of the SGX-ST, subject to the approval of independent Shareholders at a special general meeting of the Company to be convened.

(3) Purchase of semiconductor electronic component products by the Group pursuant to a master purchase framework agreement. For the avoidance of doubt, the value of the purchase reflects transactions conducted pursuant to the master purchase framework agreement prior to the amendments effected by its supplemental deed announced by the Company on June 23, 2026. The master purchase framework agreement, as amended by the supplemental deed, is proposed to be covered by a general mandate pursuant to Rule 920 of the Listing Manual of the SGX-ST, subject to the approval of independent Shareholders at a special general meeting of the Company to be convened.

(4) Leasing of part of the office in Shenzhen by Willas-Array Electronics (Shenzhen) Limited, a subsidiary of the Company, pursuant to a Shenzhen housing lease agreement.

(5) Provision of warehousing and logistics services by Willas-Array Electronics (Shanghai) Limited, a subsidiary of the Company, pursuant to a warehousing and logistics services agreement.

(6) Provision of warehousing and logistics services by Willas-Array Electronics (Hong Kong) Limited ("Willas-Array HK"), a subsidiary of the Company, pursuant to a warehousing and logistics services agreement.

3. ***Disclosures on acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual of the SGX-ST***

During the six months ended June 30, 2026, the Group had incorporated and/or acquired the following subsidiaries:

(a) *Incorporation of Xinlichuang (Jiangsu) Electronic Trading Company Limited*

On January 28, 2026, the Company's wholly owned subsidiary, Willas-Array Electronics (Shanghai) Limited, incorporated Xinlichuang (Jiangsu) Electronic Trading Company Limited ("Xinlichuang Jiangsu") in the People's Republic of China. Xinlichuang Jiangsu has a registered capital of RMB10,000,000, of which RMB1,000,000 (representing 10% of the registered capital) is paid-up and funded through internal resources of the Group.

Following the incorporation, Xinlichuang Jiangsu became an indirect wholly owned subsidiary of the Company. The principal activity of Xinlichuang Jiangsu is the trading of electronic components.

(b) *Acquisition of 80% interests in Hong Kong Suijing Automotive Electronics Company Limited*

On February 13, 2026, the Company's wholly owned subsidiary, Willas-Array HK, acquired 80% of the issued share capital of Hong Kong Suijing Automotive Electronics Company Limited ("HK Suijing"), a shelf company incorporated in Hong Kong on the same date. As part of the transaction, Willas-Array HK (i) acquired 4 existing shares for nil consideration; and (ii) subscribed for 79,996 new shares at a subscription price of HK$1.00 per share, which resulted in Willas-Array HK holding 80,000 out of 100,000 shares in the issued share capital of HK Suijing. The aggregate consideration of HK$79,996 for the transaction was satisfied in cash and funded through internal resources of the Group.

As HK Suijing was a newly incorporated shelf company which had not commenced business and had no assets or liabilities, the consideration was determined by reference to the nominal value of the shares, and the net asset value represented by the 80% equity interests acquired was nil.

Following completion of the transaction, HK Suijing became an indirect 80% subsidiary of the Company. The intended principal activity of HK Suijing is the trading of electronic components.

Save as disclosed above, there were no other acquisitions or realisations of shares by the Group during the financial period reported on that resulted in (i) a change in the shareholding percentage in any subsidiary corporation or associated company of the Group, or (ii) an entity ceasing to be a subsidiary corporation or associated company of the Group.

4. ***Negative confirmation on financial results pursuant to Rule 705(5) of the Listing Manual of the SGX-ST***

On behalf of the Board, we confirm that to the best of our knowledge, nothing has come to the attention of the Board, which may render the Group's unaudited financial results for the six months ended June 30, 2026 to be false or misleading in any material aspect.

On behalf of the Board,

Xie Lishu, Chairman
Huang Shaoli

5. ***Undertakings from the Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual of the SGX-ST***

On behalf of the Board, we confirm that we have procured all the required undertakings to comply with the Listing Manual of the SGX-ST from all the directors and executive officers of the Company.

By Order of the Board
Willas-Array Electronics (Holdings) Limited
Xie Lishu
Chairman and Executive Director

Hong Kong/Singapore, August 13, 2026

As at the date of this announcement, the Board comprises one Executive Director, Xie Lishu (Chairman); one Non-executive Director, Huang Shaoli; and four Independent Non-executive Directors, namely Chong Eng Wee (Lead Independent Director), Lau Chin Huat, Tso Sze Wai and Jiang Maolin.

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