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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)

**REVISION OF ANNUAL CAPS FOR PREVIOUSLY FULLY EXEMPT
CONTINUING CONNECTED TRANSACTIONS UNDER THE 2026
MASTER PURCHASE FRAMEWORK AGREEMENT AND 2026
MASTER SUPPLY FRAMEWORK AGREEMENT**

**REVISION OF ANNUAL CAPS FOR PREVIOUSLY FULLY EXEMPT
CONTINUING CONNECTED TRANSACTIONS UNDER THE 2026 MASTER
PURCHASE FRAMEWORK AGREEMENT AND 2026 MASTER SUPPLY
FRAMEWORK AGREEMENT**

Following the expiry of the 2025 Master Purchase Framework Agreement on December 31, 2025, on January 1, 2026, the Company and Shanghai YCT have entered into the 2026 Master Purchase Framework Agreement, pursuant to which the Company agreed, for and on behalf of the Group, to purchase, and Shanghai YCT agreed, for and on behalf of the Shanghai YCT Group, to supply certain semi-conductor electronic component products from time to time from the date of the agreement to December 31, 2026. The transactions contemplated thereunder constituted fully exempt continuing connected transactions for the Company at the relevant time based on the Original Purchase Annual Cap.

Following the expiry of the 2025 Master Supply Framework Agreement on December 31, 2025, on January 1, 2026, the Company and Shanghai YCT have entered into the 2026 Master Supply Framework Agreement, pursuant to which the Company agreed, for and on behalf of the Group, to supply, and Shanghai YCT agreed, for and on behalf of the Shanghai YCT Group, to purchase certain semi-conductor electronic component products from time to time from the date of the agreement to December 31, 2026. The transactions contemplated thereunder constituted fully exempt continuing connected transactions for the Company at the relevant time based on the Original Supply Annual Cap.

After taking into account the actual transaction amounts and the expected business requirements of the Group for the remaining term, the Company expects that the Original Annual Caps for the above continuing connected transactions will be insufficient to meet the needs of the Group. In view of the above, on June 23, 2026 (after trading hours), the Company and Shanghai YCT entered into the Supplemental Deeds to (i) increase the Original Purchase Annual Cap and the Original Supply Annual Cap to the Revised Supply Annual Caps and the Revised Purchase Annual Caps, respectively; and (ii) to extend the term of the 2026 Master Purchase Framework Agreement and the 2026 Master Supply Framework Agreement from one year to a term of three years ending December 31, 2028.

HONG KONG LISTING RULES IMPLICATION

Shanghai YCT is the controlling shareholder of the Company interested in approximately 74.72% of the Company through its indirect wholly-owned subsidiary, Texin, and is ultimately controlled by Mr. Xie Lishu, the Chairman and executive Director and Ms. Huang Shaoli, a non-executive Director. As such, Shanghai YCT is a connected person of the Company and the transactions contemplated under the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14A.54(1) of the Hong Kong Listing Rules, if the Company proposes to approve the Revised Annual Caps, the Company will have to re-comply with the provisions of Chapter 14A of the Hong Kong Listing Rules applicable to the relevant continuing connected transactions.

At the relevant time when the 2026 Master Purchase Framework Agreement and the 2026 Master Supply Framework Agreement were entered into, all applicable percentage ratios calculated with reference to the Original Purchase Annual Cap and the Original Supply Annual Cap in respect of transactions contemplated under the 2026 Master Purchase Framework Agreement and 2026 Master Supply Framework Agreement respectively were less than 5% and the annual transaction amounts are less than HK\$3,000,000. As such, those transactions constituted de minimis transactions of the Company and were therefore fully exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As each of the applicable percentage ratios (as defined under the Hong Kong Listing Rules) calculated pursuant to the Revised Purchase Annual Caps is less than 25% and the transaction amounts are less than HK\$10,000,000 on an annual basis, the Revised Purchase Annual Caps and the transactions contemplated under the 2026 Master Purchase Framework Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but are exempted from the independent shareholders' approval requirements.

As one or more of the applicable percentage ratios (as defined under the Hong Kong Listing Rules) relating to the Revised Supply Annual Caps under the 2026 Master Supply Framework Agreement exceed 5% and the transaction amounts are over HK\$10,000,000 on an annual basis, the Revised Supply Annual Caps and the transactions contemplated under the 2026 Master Supply Framework Agreement are subject to the reporting, annual review, announcement and the independent Shareholder's approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Due to their interests in Shanghai YCT, Mr. Xie Lishu, the Chairman and an executive Director and Ms. Huang Shaoli, a non-executive Director, are regarded as having material interest in the Revised Annual Caps, the transactions contemplated under the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement and the Supplemental Deeds and have abstained from voting on the relevant resolutions of the Board. To the best of the Directors' knowledge, save for Mr. Xie Lishu and Ms. Huang Shaoli, none of the Directors has any material interest in the Revised Annual Caps, the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the transactions contemplated thereunder, and none of them is required to abstain from voting on the relevant resolutions of the Board.

As each of Mr. Xie Lishu and Ms. Huang Shaoli is regarded as having material interest in the transactions contemplated under the 2026 Master Supply Framework Agreement and the Supplemental Supply Deed, each of them and their respective associates are required to abstain from voting on the relevant resolutions to be proposed at the SGM. Save as disclosed above, to the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no other Shareholders would be required to abstain from voting on the resolutions at the SGM to be held by the Company to approve the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement, the Supplemental Supply Deed and the transactions contemplated thereunder.

SGX-ST LISTING MANUAL IMPLICATIONS

As at the date of this announcement, Shanghai YCT is a controlling shareholder (as such term is defined under the SGX-ST Listing Manual) of the Company holding deemed interest in 76,955,745 Shares, representing approximately 74.72% of the issued share capital of the Company. Such deemed interests arise from the Shares held through Texin, an indirect wholly-owned subsidiary of Shanghai YCT. As such, pursuant to Rule 904(4) of the SGX-ST Listing Manual, Shanghai YCT is an interested person of the Company within the meaning of Chapter 9 of the SGX-ST Listing Manual vis-à-vis the Company and its subsidiaries, which are regarded as "entities at risk" pursuant to Rule 904(2) of the SGX-ST Listing Manual. Accordingly, the 2026 Master Supply Framework Agreement, the 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the transactions contemplated thereunder constitute interested person transactions under Chapter 9 of the SGX-ST Listing Manual.

Under Rule 906(1) of the SGX-ST Listing Manual, an issuer must obtain independent shareholders' approval for any interested person transaction of a value equal to, or more than: (a) 5% of the group's latest audited NTA; or (b) 5% of the group's latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year. Based on the Group's latest audited consolidated financial statements as at December 31, 2025, the latest audited NTA of the Group was approximately HK\$507,424,000.

The value at risk under the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed), being the aggregate value of the Revised Supply Annual Caps, is HK\$210,000,000 (or approximately S\$34,308,120) (the "**Revised Supply IPT Value**"). The Revised Supply IPT Value represents approximately 41.39% of the latest audited NTA of the Group. As the Revised Supply IPT Value exceeds 5% of the Group's latest audited NTA, Shareholders' approval would be required under Rule 906 of the SGX-ST Listing Manual.

The value at risk under the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed), being the aggregate value of the Revised Purchase Annual Caps, is HK\$29,999,997.00 (or approximately S\$4,901,159) (the “**Revised Purchase IPT Value**”). The Revised Purchase IPT Value represents approximately 5.91% of the latest audited NTA of the Group. As the Revised Purchase IPT Value exceeds 5% of the Group’s latest audited NTA, Shareholders’ approval would be required under Rule 906 of the SGX-ST Listing Manual.

In view of the foregoing, the Company intends to seek approval from Shareholders for the adoption of a general mandate pursuant to Rule 920 of the SGX-ST Listing Manual (the “**Proposed IPT General Mandate**”) in respect of the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) and the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed).

GENERAL

The Independent Board Committee, comprising Chong Eng Wee, Lau Chin Huat, Tso Sze Wai and Jiang Maolin, being the independent non-executive Directors, has been formed to consider, and to advise the independent Shareholders in respect of the 2026 Master Supply Framework Agreement after taking into account the recommendations of the Independent Financial Advisers. The Audit Committee also comprises Chong Eng Wee, Lau Chin Huat, Tso Sze Wai and Jiang Maolin. The Company has appointed Independent Financial Advisers to make recommendations to the Independent Board Committee, the Audit Committee and the independent Shareholders regarding the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate, which will be set out in the circular to be dispatched to Shareholders in due course upon clearance of the circular by the SGX-ST and the Hong Kong Stock Exchange.

A SGM will be convened and held for, among other things, the independent Shareholders to consider, and if thought fit, to approve the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate. A circular containing, among other things, (i) further details of the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate; (ii) a letter from the Independent Board Committee containing its advice and recommendation to the independent Shareholders; (iii) letters of advice from the Independent Financial Advisers to the Independent Board Committee, the Audit Committee and the independent Shareholders; and (iv) the notice of SGM, will be despatched to Shareholders in due course upon clearance of the circular by the SGX-ST and the Hong Kong Stock Exchange.

REVISION OF ANNUAL CAPS FOR PREVIOUSLY FULLY EXEMPT CONTINUING CONNECTED TRANSACTIONS UNDER THE 2026 MASTER PURCHASE FRAMEWORK AGREEMENT AND THE 2026 MASTER SUPPLY FRAMEWORK AGREEMENT

2026 Master Purchase Framework Agreement (as proposed to be amended) and the Revised Purchase Annual Caps

Following the expiry of the 2025 Master Purchase Framework Agreement on December 31, 2025, on January 1, 2026, the Company and Shanghai YCT have entered into the 2026 Master Purchase Framework Agreement, pursuant to which the Company agreed, for and on behalf of the Group, to purchase, and Shanghai YCT agreed, for and on behalf of the Shanghai YCT Group, to supply certain semi-conductor electronic component products from time to time from the date of the agreement to December 31, 2026. The transactions contemplated thereunder constituted fully exempt continuing connected transactions for the Company at the relevant time based on the Original Purchase Annual Cap.

Details of the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed) are as follows:

Date:	January 1, 2026 (2026 Master Purchase Framework Agreement) June 23, 2026 (Supplemental Purchase Deed)
Parties:	The Group as the purchaser; and Shanghai YCT Group as the supplier
Nature of the transaction:	Subject to the terms and conditions of the 2026 Master Purchase Framework Agreement and each relevant purchase order, Shanghai YCT Group agrees to supply a variety of semi-conductor electronic component products from time to time during the effective term to the Group in accordance with the 2026 Master Purchase Framework Agreement
Effective term:	The effective term of the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed) will commence from the date of conclusion of the SGM to December 31, 2028 (both days inclusive)
Condition Precedent:	The Revised Purchase Annual Caps, the 2026 Master Purchase Framework Agreement, the Supplemental Purchase Deed and transactions contemplated thereunder are conditional upon obtaining the necessary approval and consent under the SGX-ST Listing Manual, which includes the approval by the Independent Shareholders at the SGM

Pricing policy

The terms of the purchase shall be determined with reference to prevailing market prices and be on terms no less favourable to the Group than those made available from independent third parties supplying the same or comparable kind of semi-conductor electronic component products. The Group shall also take into account (i) historical purchase prices of previous transactions for similar semi-conductor electronic component products from other independent third parties; and (ii) reference to the credit terms on which the products are purchased.

The sales and marketing department would obtain quotations for the semi-conductor electronic component products from suppliers which are independent third parties (at least two quotations in respect of products of similar type, quantity and specifications) on a regular basis (at least once every quarter) to ensure the prices of the purchase orders under the Master Purchase Framework Agreement are no less favourable than the market level and assess these alongside with quotations received from Shanghai YCT Group to confirm alignment with the Group's business requirements.

In the event that quotations from independent third parties cannot be obtained (for instance, if there are no unrelated third party vendors of similar products, or if the product is only available from Shanghai YCT Group), the general manager, assistant general manager or product manager of the sales and marketing department, will determine whether the price and terms offered by Shanghai YCT Group are on normal commercial terms or better after taking into consideration factors such as, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases.

The purchase order, along with the latest market prices determined from quotations received from the independent third-party suppliers, will be submitted to the general manager, assistant general manager or product manager of the sales and marketing department for review and approval.

The Group shall only accept if the terms of the semi-conductor electronic component products offered by Shanghai YCT Group are no less favourable to the terms offered by other independent third-party suppliers.

Historical amounts

	For the year ended March 31, 2024 (HK\$'000)	For the nine months ended December 31, 2024 ^(Note) (HK\$'000)	For the year ended December 31, 2025 (HK\$'000)
Procurement of semi-conductor electronic component products	102	214	3,474

Note: Pursuant to the announcement of the Company dated October 21, 2024, the Company had resolved to change the financial year end date of the Company from March 31st to December 31st on October 21, 2024.

Original Purchase Annual Cap

	For the year ended December 31, 2026 (HK\$)
Procurement of semi-conductor electronic component products	2,999,999

Revised Purchase Annual Caps and Basis

	For the year ending December 31, 2026 (HK\$)	For the year ending December 31, 2027 (HK\$)	For the year ending December 31, 2028 (HK\$)
Procurement of semi-conductor electronic component products	9,999,999	9,999,999	9,999,999

Save for the Revised Purchase Annual Caps and the effective term of the agreement, all other terms and conditions of the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed) remain unchanged.

The Revised Purchase Annual Caps have been determined with reference to (i) the transaction amount for the five months ended May 31, 2026; (ii) the purchase orders received from its customers to date that are expected to be executed for the remainder of 2026; (iii) the projected and anticipated purchase orders to be received based on the past sales volumes of semi-conductor electronic component products sold by the Group to its customers over the preceding year; (iv) the estimated demand of the Group's

semi-conductor electronic component products from its customers for the remaining term of the 2026 Master Purchase Framework Agreement; (v) and a buffer of approximately 6% to cater for possible exchange rate fluctuations between Renminbi and Hong Kong dollars, as the Group's reporting currency for its financial statements is in Hong Kong dollars.

REASONS AND BENEFITS OF ENTERING INTO THE 2026 MASTER PURCHASE FRAMEWORK AGREEMENT AND THE REVISED PURCHASE ANNUAL CAPS

In recent years, the Group has been actively seeking to expand its product mix and portfolio to maintain its competitive advantage and market share and to minimise supplier concentration risk. In view of this, the Group has been reaching out to different suppliers, including but not limited to, Shanghai YCT Group on potential interests in supplying certain specifications of semi-conductor electronic products to the Group. It was also brought to the attention of the Board during its regular meeting discussions that Shanghai YCT Group is interested in renewing the master purchase framework agreement following the expiry of the 2025 Master Purchase Framework Agreement. Upon receiving such interest from Shanghai YCT Group, Mr. Xie Lishu and Ms. Huang Shaoli (the “**Abstained Directors**”), pursuant to their non-competition undertakings provided in favour of the Company as disclosed in the announcement dated May 19, 2023, have recused themselves from participating in the discussions and abstained from voting on the resolutions of the Board for approving the 2026 Master Purchase Framework Agreement and the transactions contemplated thereunder and did not participate in the management of such transactions. The members of the Board who do not have an interest in the transactions (the “**Independent Board**”) were responsible for reviewing and approving the 2026 Master Purchase Framework Agreement.

After taking into account the actual transaction amount and the expected business needs of the Group for the remaining term, the Company expects that the Original Purchase Annual Cap for the above continuing connected transactions shall no longer meet the needs of the Group and shall soon be exceeded. In view of the above, on June 23, 2026 (after trading hours), the Company and Shanghai YCT entered into the Supplemental Purchase Deed to (i) increase the Original Purchase Annual Cap to the Revised Purchase Annual Caps; and (ii) extend the term of the 2026 Master Purchase Framework Agreement from one year to three years ending December 31, 2028.

The Independent Board has assessed that the Revised Purchase Annual Caps are fair and reasonable, the transactions constituted thereunder are on normal commercial terms or better and are entered into in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

2026 Master Supply Framework Agreement (as proposed to be amended) and the Revised Supply Annual Caps

Following the expiry of the 2025 Master Supply Framework Agreement on December 31, 2025, on January 1, 2026, the Company and Shanghai YCT have entered into the 2026 Master Supply Framework Agreement, pursuant to which the Company agreed, for and on behalf of the Group, to supply, and Shanghai YCT agreed, for and on behalf of the Shanghai YCT Group, to purchase certain semi-conductor electronic component products from time to time from the date of the agreement to December 31, 2026. The transactions contemplated thereunder constituted fully exempt continuing connected transactions for the Company at the relevant time based on the Original Supply Annual Cap.

Details of the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) are as follows:

- Date:** January 1, 2026 (2026 Master Supply Framework Agreement)
June 23, 2026 (Supplemental Supply Deed)
- Parties:** The Group as the supplier; and
Shanghai YCT Group as the purchaser
- Nature of the transaction:** Subject to the terms and conditions of the 2026 Master Supply Framework Agreement and each relevant sales order, the Group agrees to supply to the Shanghai YCT Group a variety of semi-conductor electronic component products from time to time during the effective term of the 2026 Master Supply Framework Agreement
- Effective term:** The effective term of the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) will commence from the date of conclusion of the SGM to December 31, 2028 (both days inclusive)
- Condition Precedent:** The Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement, the Supplemental Supply Deed and transactions contemplated thereunder are conditional upon obtaining the necessary approval and consent under the Hong Kong Listing Rules and the SGX-ST Listing Manual, which includes the approval by the Independent Shareholders at the SGM

Pricing Policy

The prices of the semi-conductor electronic component products will be determined on a cost-plus basis, which is determined by the costs of the products plus a mark-up to be agreed upon in accordance with the Company's usual business practices and pricing policy.

The mark-up applied to the sales of products to the Shanghai YCT Group shall be determined with reference to the mark-up charged by the Group to independent third-party customers for identical products or, where such direct comparables are not available, for products of comparable quality, specifications and quantities. In all cases, the mark-up applied to products offered to Shanghai YCT Group shall be not less favourable than those offered to independent third-party customers for similar products.

In the event that comparable products are not available from historical transactions offered to independent third-party customers, the mark-up will be determined with reference to the published market selling prices or quotes of comparable products obtained from independent electronic component distributors, online platforms, or suppliers. In determining the pricing, the Group shall also take into account the direct costs of the semi-conductor electronic component products acquired by the Group.

The mark-up is generally subject to a minimum of approximately 1.5%, while the overall mark-up is estimated to be in the range of approximately 6.9% to 16.6%, having regard to the (i) gross profit margin of historical transactions involving the supply of similar semi-conductor electronic component products to other independent third party customers; and (ii) the credit terms on which the products are supplied.

In order to ensure the terms of sales are in line with prevailing market rates and conditions, the Group will compare the selling prices of at least two comparable transactions involving semi-conductor electronic component products (or, where such transactions are no available, similar products) sold to independent third party customers, not less frequently than on a quarterly basis. The Group shall have the right to accept or reject the purchase transactions from Shanghai YCT Group after taking into account the Group's interests in undertaking the purchase transactions. The transactions shall be settled at such time and in such manner as specified in the relevant sales orders.

Historical amounts

	For the year ended March 31, 2024 (HK\$'000)	For the nine months ended December 31, 2024 (HK\$'000) <i>(Note)</i>	For the year ended December 31, 2025 (HK\$'000)
Provision of semi-conductor electronic component products	265	2,725	7,523

Note: Pursuant to the announcement of the Company dated October 21, 2024, the Company had resolved to change the financial year end date of the Company from March 31st to December 31st on October 21, 2024.

Original Supply Annual Cap

	For the year ending December 31, 2026 (HK\$)
Provision of semi-conductor electronic component products	2,999,999

Revised Supply Annual Caps and Basis

	For the year ending December 31, 2026 (HK\$'000)	For the year ending December 31, 2027 (HK\$'000)	For the year ending December 31, 2028 (HK\$'000)
Provision of semi-conductor electronic component products	70,000	70,000	70,000

Save for the Revised Supply Annual Caps and the effective term of the agreement, all other terms and conditions of the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) remain unchanged.

The Revised Supply Annual Caps have been determined with reference to (i) the transaction amount for the two months ended February 28, 2026; (ii) the projected and anticipated demand from Shanghai YCT Group of the Group's semi-conductor electronic component products for the remaining term of the 2026 Master Supply Framework Agreement; and (iii) a buffer of 6% for the possible fluctuation between Renminbi and Hong Kong dollars as the Group's reporting currency in financial statements is in Hong Kong dollars.

REASONS AND BENEFITS OF ENTERING INTO THE 2026 MASTER SUPPLY FRAMEWORK AGREEMENT AND THE REVISED SUPPLY ANNUAL CAPS

Following the expiry of the 2025 Master Supply Framework Agreement, the Independent Board has assessed the outcome of the transactions contemplated thereunder and considered that the transactions were carried out in a satisfactory manner and complied with the internal control measures implemented. The Independent Board also continued monitoring the latest market developments and the financial position of the Group following the expiry of the 2025 Master Supply Framework Agreement and considered that the 2026 Master Supply Framework Agreement represents a good opportunity to continue to strengthen the Group's ability to cope with the competitive market environment with the added benefit of securing an additional stable source of income and improving the Group's financial position.

After taking into account the actual transaction amounts and the expected business needs of the Group for the remaining term, the Company expects that the Original Supply Annual Cap shall no longer meet the needs of the Group and shall soon be exceeded. In view of the above, on June 23, 2026 (after trading hours), the Company and Shanghai YCT entered into the Supplemental Supply Deed to (i) increase the Original Supply Annual Cap to the Revised Supply Annual Caps; and (ii) extend the term of the 2026 Master Supply Framework Agreement from one year to three years ending December 31, 2028.

The Independent Board Committee, comprising Chong Eng Wee, Lau Chin Huat, Tso Sze Wai and Jiang Maolin, being the independent non-executive Directors, has been formed to consider, and to advise the independent Shareholders, amongst other things, whether the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) and the Revised Supply Annual Caps contemplated are fair and reasonable, the transactions constituted thereunder are on normal commercial terms or better and are entered into in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

PRODUCTS UNDER THE 2026 MASTER SUPPLY FRAMEWORK AGREEMENT AND 2026 MASTER PURCHASE FRAMEWORK AGREEMENT

The semi-conductor electronic component products under each of the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement are products under different brands. Shanghai YCT Group and the Group distribute different ranges of brands, with certain brands overlapping. For the overlapping brands, the product ranges differ in model numbers and specifications between the Group and Shanghai YCT Group.

The Group and Shanghai YCT Group will not deal in identical products under the overlapping brands, unless except in the case of stock shortages or when Shanghai YCT Group offers a lower price than third party suppliers. Identical products under overlapping brands transacted accounted for less than 1% of our turnover in continuing connected transactions for the financial year ended December 31, 2025. The Group does

not manufacture semi-conductor electronic components distributed by Shanghai YCT Group. Shanghai YCT Group primarily serves customers in the automotive sector, while the Group focuses on industrial, consumer, telecommunications, OEM and trading customers, rather than solely automotive. Each of the Group and Shanghai YCT Group offers distinct products with only minimal overlap between them. Similarly, each entity serves its own separate customer base, and any overlap is considered immaterial. The 2026 Master Purchase Framework Agreement and the 2026 Master Supply Framework Agreement enable the Group to expand its product offerings to its existing customers, creating opportunities to increase revenue. The continuing connected transactions aim to facilitate strategic cross-selling, enabling both the Group and Shanghai YCT Group to provide a broader range of products to their respective customers. This approach enhances commercial synergies while preserving the core business focus of each entity.

NON-COMPETITION UNDERTAKINGS

The Abstained Directors have provided non-competition undertakings in favour of the Company effective upon their appointment. As disclosed in the announcement dated May 19, 2023, the non-competition undertakings are intended to manage potential conflicts of interest arising from Mr. Xie Lishu's and Ms. Huang Shaoli's respective roles in both the Company and Shanghai YCT, given their similar business models, geographical presence, and overlapping suppliers and customers. The non-competition undertakings include, among others, measures such as restricting Mr. Xie Lishu and Ms. Huang Shaoli from participating in the Company's management where competition exists, requiring them to abstain from voting on conflicted matters, and granting the Company a right of first refusal on relevant business opportunities. In addition, the non-competition undertakings mandate annual compliance declarations by Mr. Xie Lishu and Ms. Huang Shaoli, independent board oversight, and disclosure obligations by the Company in its annual reports to Shareholders.

In accordance with the non-competition undertakings:

- (i) each Abstained Director has recused himself/herself from participating in the discussions and abstained from voting on the resolutions of the Board for approving the 2026 Master Supply Framework Agreement, the 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the Revised Annual Caps;
- (ii) the Independent Board was responsible for deciding, in the absence of the Abstained Directors, regarding the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the Revised Annual Caps; and
- (iii) the independent non-executive Directors have been provided with the financial information and other information and professional advice they have requested in relation to the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the Revised Annual Caps in order to make an informed decision.

Based on the assessment by the Independent Board, the Independent Board considers that the Abstained Directors have complied with the non-competition undertakings.

INTERNAL CONTROLS

In order to ensure that the terms under the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement are no less favourable than those offered by independent third parties, the Company has implemented internal control procedures and policies to monitor the continuing connected transactions and to ensure that all continuing connected transactions are entered into in accordance with pricing policies and are fair and reasonable in the interests of the Company and the Shareholders as a whole. Such measures include:

- (i) the Company will conduct regular checks to review and assess whether the continuing connected transactions are conducted in accordance with the sales orders and purchase orders under the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement respectively, and will also regularly update the market prices for the purpose of considering if the prices charged for a specific transaction are fair and reasonable and in accordance with the respective pricing policies;
- (ii) will engage its external auditor to report on the continuing connected transactions every financial year. The external auditor will provide a letter to the Board confirming the matters required under the Hong Kong Listing Rules, including whether the continuing connected transactions are carried out in accordance with the relevant pricing policies and an annual review on the terms and annual caps of the continuing connected transactions; and
- (iii) The independent non-executive Directors will also conduct an annual review regarding the effectiveness of the implementation and enforcement of the internal controls monitoring the continuing connected transactions.

The product manager of the sales and marketing department (the “**Product Manager**”) will be responsible for determining the selling price and reviewing the gross profit margin (by comparing selling prices of similar semi-conductor electronic component products sold to other customers of the Group which are independent third parties for every sales order) to ensure the prices of the sales orders under the 2026 Master Supply Framework Agreement are in line with the pricing policies. The Product Manager shall determine whether the terms of the continuing connected transactions are fair and reasonable and conducted in accordance with the 2026 Master Supply Framework Agreement.

The GM/AGM shall also seek quotations for the semi-conductor electronic component products from suppliers which are independent third parties (at least two quotations in respect of products of similar type, quantity and specifications) to ensure the prices of the purchase orders under the 2026 Master Purchase Framework Agreement are in line with the pricing policies. The GM/AGM shall determine whether the terms of the continuing connected transactions are fair and reasonable and conducted in accordance with the 2026 Master Purchase Framework Agreement.

To ensure the continuing connected transactions will not exceed the respective annual caps, our risk management manager shall check the sales amount at our enterprise resource planning system to ensure the approved annual caps are not exceeded. Each relevant department shall nominate a senior manager/staff to be the responsible person (the “**Responsible Person(s)**”) to report to the company secretary of the Company (the “**Company Secretary**”) on a monthly basis, the value of the continuing connected transactions. The Company Secretary will also liaise with the Group’s finance department each month to verify the actual transaction amounts. In the event that the Responsible Person receives any information that the approved annual cap may be exceeded, such information will also be reported, alongside with the proposed response (i.e. revision of the annual cap(s)) to the Company Secretary, where such information shall be compiled and presented to the Board for deliberation and approval (with Directors having an interest in the transaction under consideration abstaining from such deliberation, review and approval process), and the Company will comply with the relevant announcement and/or shareholders’ approval requirements in accordance with the Hong Kong Listing Rules and the SGX-ST Listing Manual.

INFORMATION ON THE PARTIES

Information of the Group

The Company was incorporated as an exempted company with limited liabilities in Bermuda, with its shares listed and traded on the Mainboard of the SGX-ST and the Main Board of the Hong Kong Stock Exchange. The Group is principally engaged in the distribution of electronic components for use in the industrial, audio and video, telecommunications, home appliance, lighting, electronic manufacturing services and automotive segments, as well as the provision of engineering solutions.

Information of Shanghai YCT

Shanghai YCT is a well-known authorised distributor of electronic components and self-developed integrated circuit designer in the PRC. Shanghai YCT is engaged in the fields of automotive lighting, car cockpit and automobile wire-controlled chassis.

Shanghai YCT is headquartered in Shanghai, and its sales network covers the Asia-Pacific region. It has established offices in Kunshan, Shenzhen, Nanjing, Hangzhou, Tianjin, Hong Kong, Chongqing, and Foshan, as well as overseas offices in Seoul, South Korea, Singapore and India.

HONG KONG LISTING RULES IMPLICATION

Shanghai YCT is the controlling shareholder of the Company interested in approximately 74.72% of the Company through its indirect wholly-owned subsidiary, Texin, and is ultimately controlled by Mr. Xie Lishu, the Chairman and executive Director and Ms. Huang Shaoli, a non-executive Director. As such, Shanghai YCT is a connected person of the Company and the transactions contemplated under the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14A.54(1) of the Hong Kong Listing Rules, if the Company proposes to approve the Revised Annual Caps, the Company will have to re-comply with the provisions of Chapter 14A of the Hong Kong Listing Rules applicable to the relevant continuing connected transactions.

At the relevant time when the 2026 Master Purchase Framework Agreement and the 2026 Master Supply Framework Agreement were entered into, all applicable percentage ratios calculated with reference to the Original Purchase Annual Cap and the Original Supply Annual Cap in respect of transactions contemplated under the 2026 Master Purchase Framework Agreement and 2026 Master Supply Framework Agreement respectively were less than 5% and the transaction amounts are less than HK\$3,000,000 on an annual basis. As such, those transactions constituted de minimis transactions of the Company and were therefore fully exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

As each of the applicable percentage ratios (as defined under the Hong Kong Listing Rules) calculated pursuant to the Revised Purchase Annual Caps is less than 25% and the transaction amounts are less than HK\$10,000,000 on an annual basis, the Revised Purchase Annual Caps and the transactions contemplated under the 2026 Master Purchase Framework Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Hong Kong Listing Rules but are exempted from the independent shareholders' approval requirements.

As one or more of the applicable percentage ratios (as defined under the Hong Kong Listing Rules) relating to the Revised Supply Annual Caps under the 2026 Master Supply Framework Agreement exceed 5% and the transaction amounts are over HK\$10,000,000 on an annual basis, the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement, the Supplemental Supply Deed and the transactions contemplated under the 2026 Master Supply Framework Agreement are subject to the reporting, annual review, announcement and the independent Shareholder's approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Due to their interests in Shanghai YCT, Mr. Xie Lishu, the Chairman and an executive Director and Ms. Huang Shaoli, a non-executive Director, are regarded as having material interest in the Revised Annual Caps, the transactions contemplated under the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement and the Supplemental Deeds and have abstained from voting on the relevant resolutions of the Board. To the best of the Directors' knowledge, save for Mr. Xie Lishu and Ms. Huang Shaoli, none of the Directors has any material interest in the Revised Annual Caps, the 2026 Master Supply Framework Agreement, 2026 Master Purchase Framework Agreement and the Supplemental Deeds and the transactions contemplated thereunder, and none of them is required to abstain from voting on the relevant resolutions of the Board.

As each of Mr. Xie Lishu and Ms. Huang Shaoli is regarded as having material interest in the transactions contemplated under the 2026 Master Supply Framework Agreement and the Supplemental Supply Deed, each of them and their respective associates are required to abstain from voting on the relevant resolutions to be proposed at the SGM. Save as disclosed above, to the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no other Shareholders would be required to abstain from voting on the resolutions at the SGM to be held by the Company to approve the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement, the Supplemental Supply Deed and the transactions contemplated thereunder.

SGX-ST LISTING MANUAL IMPLICATIONS

As at the date of this announcement, Shanghai YCT is a controlling shareholder (as such term is defined under the SGX-ST Listing Manual) of the Company holding deemed interest in 76,955,745 Shares, representing approximately 74.72% of the issued share capital of the Company. Such deemed interests arise from the Shares held through Texin, an indirect wholly-owned subsidiary of Shanghai YCT. As such, pursuant to Rule 904(4) of the SGX-ST Listing Manual, Shanghai YCT is an interested person of the Company within the meaning of Chapter 9 of the SGX-ST Listing Manual vis-à-vis the Company and its subsidiaries, which are regarded as "entities at risk" pursuant to Rule 904(2) of the SGX-ST Listing Manual. Accordingly, the 2026 Master Supply Framework Agreement, the 2026 Master Purchase Framework Agreement, the Supplemental Deeds and the transactions contemplated thereunder constitute interested person transactions under Chapter 9 of the SGX-ST Listing Manual.

Under Rule 906(1) of the SGX-ST Listing Manual, an issuer must obtain independent shareholders' approval for any interested person transaction of a value equal to, or more than: (a) 5% of the group's latest audited NTA; or (b) 5% of the group's latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year. Based on the Group's latest audited consolidated financial statements as at December 31, 2025, the latest audited NTA of the Group was approximately HK\$507,424,000. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the SGX-ST Listing Manual, Shareholders' approval is required where:

- (i) the transaction is of a value equal to, or more than, HK\$25,371,200, being 5% of the Group’s latest audited NTA as at December 31, 2025; or
- (ii) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, HK\$25,371,200. The aggregation will exclude any transaction that has been approved by Shareholders previously or is the subject of aggregation with another transaction that has been approved by Shareholders.

The Revised Supply IPT Value represents approximately 41.39% of the latest audited NTA of the Group. As the Revised Supply IPT Value exceeds 5% of the Group’s latest audited NTA, Shareholders’ approval would be required under Rule 906 of the SGX-ST Listing Manual.

The Revised Purchase IPT Value represents approximately 5.91% of the latest audited NTA of the Group. As the Revised Purchase IPT Value exceeds 5% of the Group’s latest audited NTA, Shareholders’ approval would be required under Rule 906 of the SGX-ST Listing Manual.

In view of the foregoing, the Company intends to seek approval from Shareholders for the adoption of a general mandate pursuant to Rule 920 of the SGX-ST Listing Manual (the “**Proposed IPT General Mandate**”) in respect of the 2026 Master Supply Framework Agreement (as proposed to be amended by the Supplemental Supply Deed) and the 2026 Master Purchase Framework Agreement (as proposed to be amended by the Supplemental Purchase Deed).

Since the current financial year commencing on January 1, 2026, up to the date of this announcement, the Group has entered into the following interested person transactions with Shanghai YCT Group (excluding transactions which are less than S\$100,000):

No.	Name of Interested Person	Nature of the transaction	Aggregate value of transaction		% ⁽²⁾
			(HK\$)	(S\$) ⁽¹⁾	
1.	Shanghai YCT Group	Supply of semiconductor electronic component products by the Group pursuant to the 2026 Master Supply Framework Agreement ⁽³⁾	2,999,999.00	496,442.00	0.59
2.	Shanghai YCT Group	Purchase of semiconductor electronic component products by the Group pursuant to a 2026 Master Purchase Framework Agreement ⁽³⁾	2,999,999.00	496,442.00	0.59

No.	Name of Interested Person	Nature of the transaction	Aggregate value of transaction		%(²)
			(HK\$)	(S\$) ⁽¹⁾	
3.	SZ E-MANTECH, a subsidiary of Shanghai YCT	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	1,412,623.00	233,761.87	0.28
4.	Texin, a subsidiary of Shanghai YCT	Provision of warehousing and logistics services by Willas-Array HK, a subsidiary of the Company, pursuant to a warehousing and logistics services agreement	960,000.00	158,861.49	0.19
5.	SZ E-MANTECH, a subsidiary of Shanghai YCT	Provision of warehousing and logistics services by Willas-Array Shanghai, a subsidiary of the Company, pursuant to a warehousing and logistics services agreement	5,400,000.00	893,595.90	1.06
Total			<u>13,772,621.00</u>	<u>2,279,103.26</u>	<u>2.71</u>

Notes:

- (1) *The Singapore dollar equivalents are based on the exchange rate prevailing as at January 30, 2026, for the purposes of determining the applicable thresholds under Rule 905 of the Listing Manual of the SGX-ST.*
- (2) *As a percentage of the Group's latest audited NTA of approximately HK\$507,424,000 based on the latest audited consolidated financial statements of the Group as at December 31, 2025.*
- (3) *For the avoidance of doubt, the supply and purchase transactions set out above were entered into pursuant to the 2026 Master Supply Framework Agreement and the 2026 Master Purchase Framework Agreement, respectively, and have not been amended by the Supplemental Supply Deed and the Supplemental Purchase Deed, respectively. The aforesaid agreements (as proposed to be amended by the Supplemental Supply Deed and the Supplemental Purchase Deed, respectively) are the subject of the Proposed IPT General Mandate.*

Save as disclosed above, since the current financial year commencing on January 1, 2026, up to the date of this announcement, there were no other interested person transactions (excluding transactions which are less than S\$100,000) entered into between the Group and all its interested persons.

Pursuant to Rule 919 of the SGX-ST Listing Manual, Shanghai YCT, Texin, Mr. Xie Lishu and Ms. Huang Shaoli will abstain, and will undertake to ensure that its associates will abstain, from voting on the resolution to approve the adoption of the Proposed IPT General Mandate. In addition, Shanghai YCT, Texin, Mr. Xie Lishu and Ms. Huang Shaoli and its associates will also decline to accept appointments as proxies for any Shareholder unless specific instructions as to voting are given.

In connection with the Proposed IPT General Mandate, the Company will establish guidelines and review procedures to ensure that the interested person transactions contemplated thereunder are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The Company has appointed an Independent Financial Adviser to provide its opinion on such guidelines and review procedures, and the Audit Committee will review the same in accordance with Rule 920 of the SGX-ST Listing Manual. The opinion of the Independent Financial Adviser and the views of the Audit Committee will be set out in the circular to be dispatched to Shareholders in due course.

GENERAL

The Independent Board Committee, comprising Chong Eng Wee, Lau Chin Huat, Tso Sze Wai and Jiang Maolin, being the independent non-executive Directors, has been formed to consider, and to advise the independent Shareholders in respect of the 2026 Master Supply Framework Agreement after taking into account the recommendations of the Independent Financial Advisers. The Audit Committee also comprises Chong Eng Wee, Lau Chin Huat, Tso Sze Wai and Jiang Maolin. The Company has appointed Independent Financial Advisers to make recommendations to the Independent Board Committee, the Audit Committee and the independent Shareholders regarding the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate, which will be set out in the circular to be dispatched to Shareholders in due course upon clearance of the circular by the SGX-ST and the Hong Kong Stock Exchange. A SGM will be convened and held for, among other things, the independent Shareholders to consider, and if thought fit, to approve the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate. A circular containing, among other things, (i) further details of the Revised Supply Annual Caps, the 2026 Master Supply Framework Agreement and the adoption of the Proposed IPT General Mandate; (ii) a letter from the Independent Board Committee containing its advice and recommendation to the independent Shareholders; (iii) letters of advice from the Independent Financial Advisers to the Independent Board Committee, the Audit Committee and the independent Shareholders; and (iv) the notice of SGM, will be despatched to Shareholders in due course upon clearance of the circular by the SGX-ST and the Hong Kong Stock Exchange.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2026 Master Purchase Framework Agreement”	the agreement entered into between the Company and Shanghai YCT dated January 1, 2026, pursuant to which Shanghai YCT agreed to supply electronic components to the Group
“2026 Master Supply Framework Agreement”	the agreement entered into between the Company and Shanghai YCT dated January 1, 2026, pursuant to which the Group agreed to supply electronic components to Shanghai YCT Group
“associates”	has the meaning ascribed thereto in the Hong Kong Listing Rules and the SGX-ST Listing Manual (as the case may be)
“Audit Committee”	the Company’s audit committee, comprising Mr. Lau Chin Huat, Mr. Chong Eng Wee, Mr. Tso Sze Wai, and Dr. Jiang Maolin as at the date of this announcement
“Board”	the board of Directors
“Company”	Willas-Array Electronics (Holdings) Limited (威雅利電子(集團)有限公司), an exempted company incorporated in Bermuda with limited liability whose Shares are listed and traded on the Mainboard of the SGX-ST (stock code: BDR) and the Main Board of the Hong Kong Stock Exchange (stock code: 854)
“connected person(s)”	has the same meaning ascribed thereto under the Hong Kong Listing Rules
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or modified from time to time
“NTA”	net tangible assets
“Original Annual Caps”	the Original Purchase Annual Cap and the Original Supply Annual Cap
“Original Purchase Annual Cap”	the annual caps under the 2026 Master Purchase Framework Agreement
“Original Supply Annual Cap”	the annual caps under the 2026 Master Supply Framework Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Revised Annual Caps”	the Revised Purchase Annual Caps and the Revised Supply Annual Caps
“Revised Purchase Annual Caps”	the revised annual caps under the 2026 Master Purchase Framework Agreement as amended by the Supplemental Purchase Deed
“Revised Supply Annual Caps”	the revised annual caps under the 2026 Master Supply Framework Agreement as amended by the Supplemental Supply Deed
“SGM”	the special general meeting of the Company
“SGX-ST”	Singapore Exchange Securities Trading Limited
“SGX-ST Listing Manual”	the Mainboard rules of the listing manual of the Singapore Stock Exchange
“Shanghai YCT”	Shanghai YCT Electronics Group Company Limited (上海雅創電子集團股份有限公司), a company established under the laws of the PRC, with its shares listed on the Shenzhen Stock Exchange (stock code: 301099)
“Shanghai YCT Group”	Shanghai YCT and its subsidiaries

“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed thereto under the Hong Kong Listing Rules
“Supplemental Deeds”	the Supplemental Purchase Deed and the Supplemental Supply Deed
“Supplemental Purchase Deed”	the supplemental deed entered into between the Company and Shanghai YCT dated June 23, 2026 amending the Original Purchase Annual Cap
“Supplemental Supply Deed”	the supplemental deed entered into between the Company and Shanghai YCT dated June 23, 2026 amending the Original Supply Annual Cap
“SZ E-MANTECH”	Shenzhen E-MANTECH Ltd (深圳市怡海能達有限公司), a company established under the laws of the PRC and a direct 55% owned subsidiary of Shanghai YCT
“Texin”	Texin (Hongkong) Electronics Co. Limited (香港雅創台信電子有限公司), a company incorporated in Hong Kong with limited liability
“Willas-Array HK”	Willas-Array Electronics (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company
“Willas-Array Shanghai”	Willas-Array Electronics (Shanghai) Limited, a company established under the laws of the PRC and an indirect wholly owned subsidiary of the Company

“%”

per cent.

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

Hong Kong/Singapore, June 23, 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.