



## **FY2017 Results Briefing**

**June 1, 2017**

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  - Strengthen Our Position in China Distribution Market

## About Us

- Corporate Profile
- Products & Services - Our Principals
- Our Customers
- Investment Merits
- Business Structure

# Corporate Profile

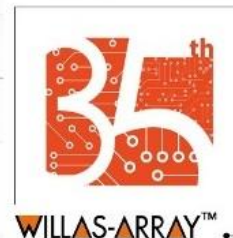


- One of the largest HK-based electronics company involved in the global sourcing and regional distribution of electronics components
- Established in 1981 and listed on the Mainboard of the Singapore Exchange in 2001
- Strong network of offices in the Greater China region as well as Singapore
- Successfully achieved a dual primary listing on The Hong Kong Stock Exchange on Dec 6, 2013

- Sales Offices
- Headquarters

# Products & Services

## - Our Principals

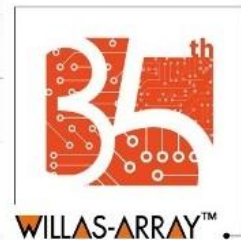


# Our Customers



We have a growing pool of  
**over 3,000 active customers**  
in Hong Kong, China and  
Taiwan

# Investment Merits



## Market insight and strong fundamentals

- Leading components distributor with a wide product range for different sectors
- Long-standing and excellent capabilities in sales and engineering
- **Extensive and growing network in China**
- **Stable and well-developed relationships** with suppliers, customers and banks

## Sound management policies

- Strict financial discipline and tight capital management

## Demonstrated resilience

- **Profitable since established in 1981** (except in FY09 and FY16)

## Good dividend payouts and attractive dividend yield

- At least **45% payout** since listing

# Business Structure



## Willas-Array Electronics (Holdings) Limited

Greater China

Hong Kong

Willas-Array  
Electronics  
(Hong Kong)  
Limited

Array  
Electronics  
(China)  
Limited

Northern  
China

Willas-Array  
Electronics  
(Shanghai)  
Limited

Shanghai  
Beijing  
Qingdao  
Chengdu  
Chongqing

Southern  
China

Willas-Array  
Electronics  
(Shenzhen)  
Limited

Shenzhen  
Guangzhou  
Xiamen  
Zhongshan

Taiwan

Willas-Array  
Electronics  
(Taiwan)  
Inc.

Technical Sales & Marketing Total

|                    |           |            |            |
|--------------------|-----------|------------|------------|
| Hong Kong          | 4         | 66         | 154        |
| China              | 43        | 175        | 272        |
| Taiwan             | 2         | 12         | 18         |
| <b>Total Staff</b> | <b>49</b> | <b>253</b> | <b>444</b> |

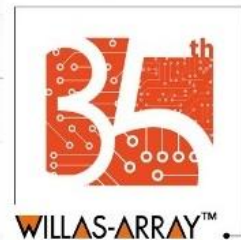
As of March 31, 2017

# FY2017 Results Highlights

**WILLAS-ARRAY™**  
Willas-Array Electronics (Holdings) Limited  
威雅利電子(集團)有限公司

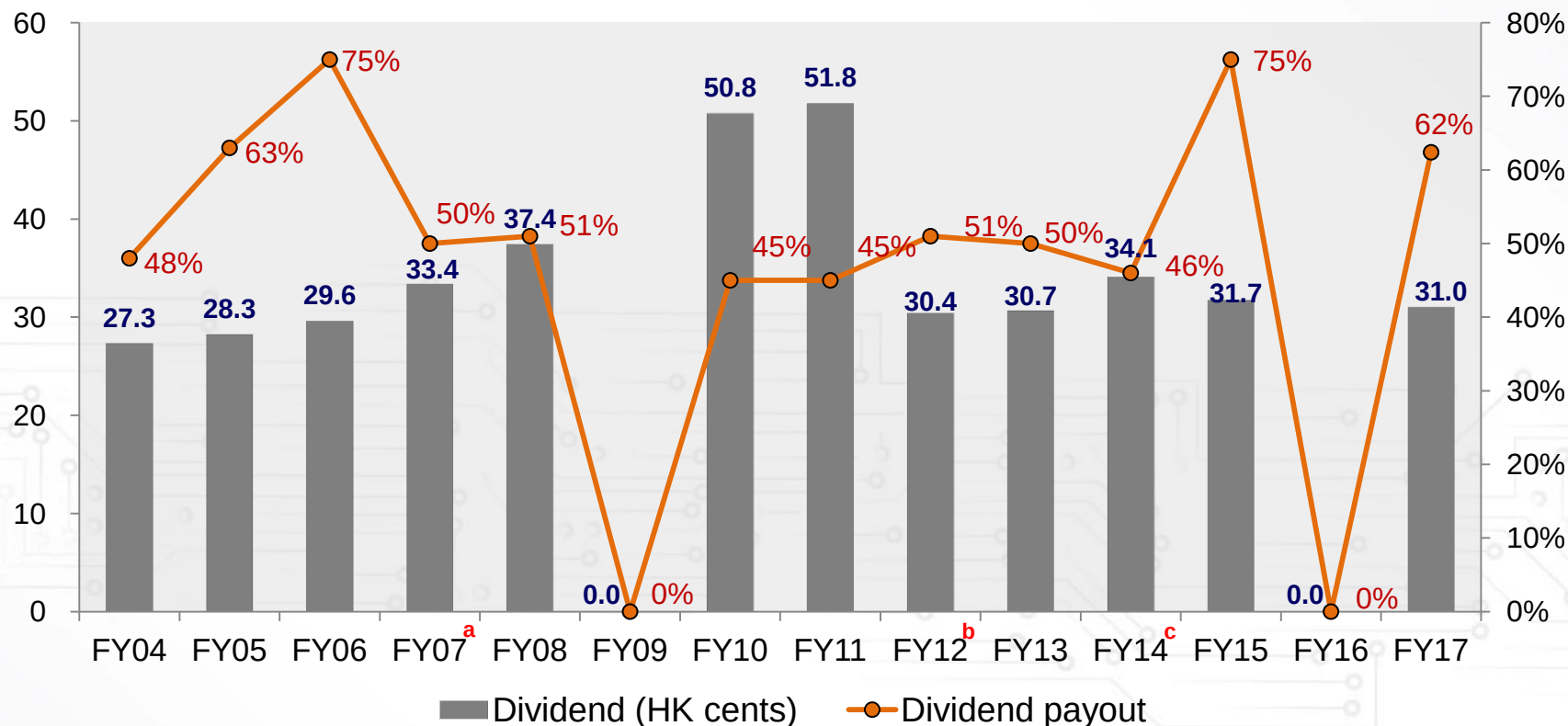


# Dividend & Dividend Payout



HK cents

Dividend Payout



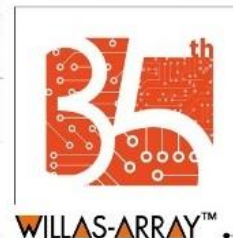
<sup>a</sup> FY07's dividend payout excludes special dividend of 7.705 HK cents

<sup>b</sup> FY12's dividend payout excludes special dividend of 9.132 HK cents

<sup>c</sup> FY14's dividend payout excludes the one-off dual listing expenses

**FY04's - FY16's dividend are restated after taking the effect of 5-for-1 share consolidation effective on August 17, 2015.**

# Profit And Loss

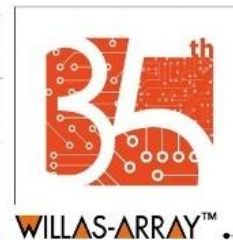


|                                                                                    | FY2017<br>HK\$'M | FY2016<br>HK\$'M | Inc (Dec)<br>HK\$'M | % Change<br>% |
|------------------------------------------------------------------------------------|------------------|------------------|---------------------|---------------|
| <b>Continuing operations</b>                                                       |                  |                  |                     |               |
| Turnover                                                                           | 3,883.1          | 3,635.6          | 247.5               | 6.8%          |
| <b>EBITDA*</b>                                                                     | 84.4             | 85.6             | (1.2)               | -1.3%         |
| Depreciation & Amortization                                                        | (11.7)           | (14.3)           | 2.6                 | -17.9%        |
| Finance costs                                                                      | (24.5)           | (20.8)           | (3.7)               | 17.8%         |
| <b>Profit before tax*</b>                                                          | 48.2             | 50.5             | (2.3)               | -4.5%         |
| Income tax expenses                                                                | (9.4)            | (12.1)           | 2.7                 | -22.3%        |
| <b>Profit after tax from continuing operations*</b>                                | 38.8             | 38.4             | 0.4                 | 1.1%          |
| <b>Discontinued operations</b>                                                     |                  |                  |                     |               |
| Loss after tax from discontinued operations                                        | (1.8)            | (0.1)            | (1.7)               | NM            |
| <b>Profit after tax</b>                                                            | 37.0             | 38.3             | (1.3)               | -3.4%         |
| Minority interests                                                                 | 0.5              | (1.5)            | 2.0                 | 132.9%        |
| <b>Profit attributable to shareholders*</b>                                        | 37.5             | 36.8             | 0.7                 | 2.1%          |
| Share of loss of associates                                                        | 0.0              | (38.3)           | 38.3                | NM            |
| Impairment loss recognised in respect of<br>interests in associates                | 0.0              | (70.1)           | 70.1                | NM            |
| <b>Profit (loss) attributable to shareholders<br/>including associates' result</b> | 37.5             | (71.6)           | 109.1               | 152.4%        |
| EPS (LPS) (HK cents)                                                               | 49.68            | (94.90)          | 144.58              | 152.4%        |

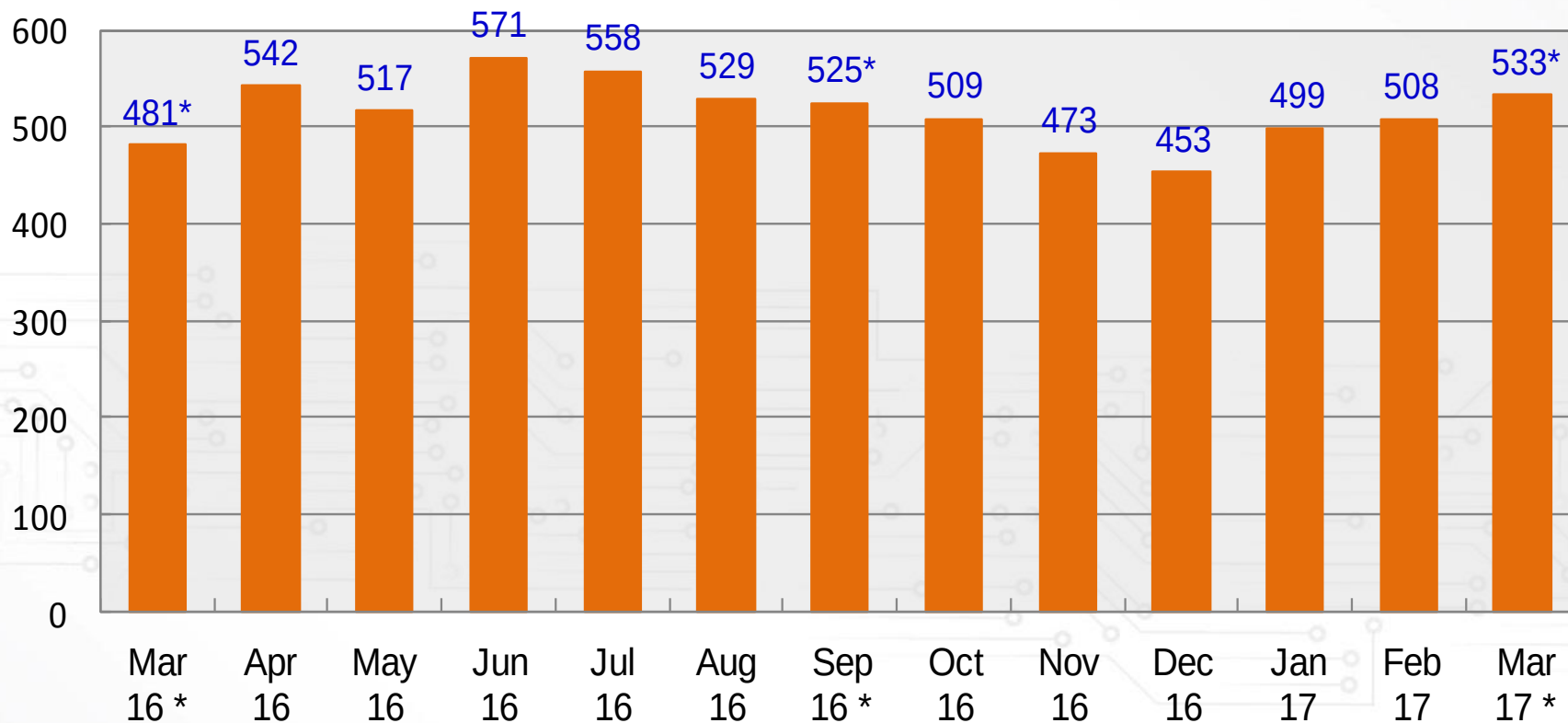
\* Figures excluding associates' result

NM : Not meaningful

# Inventory Level

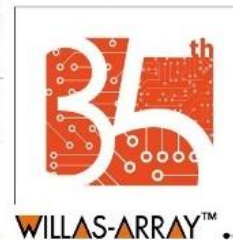


In HK\$'M

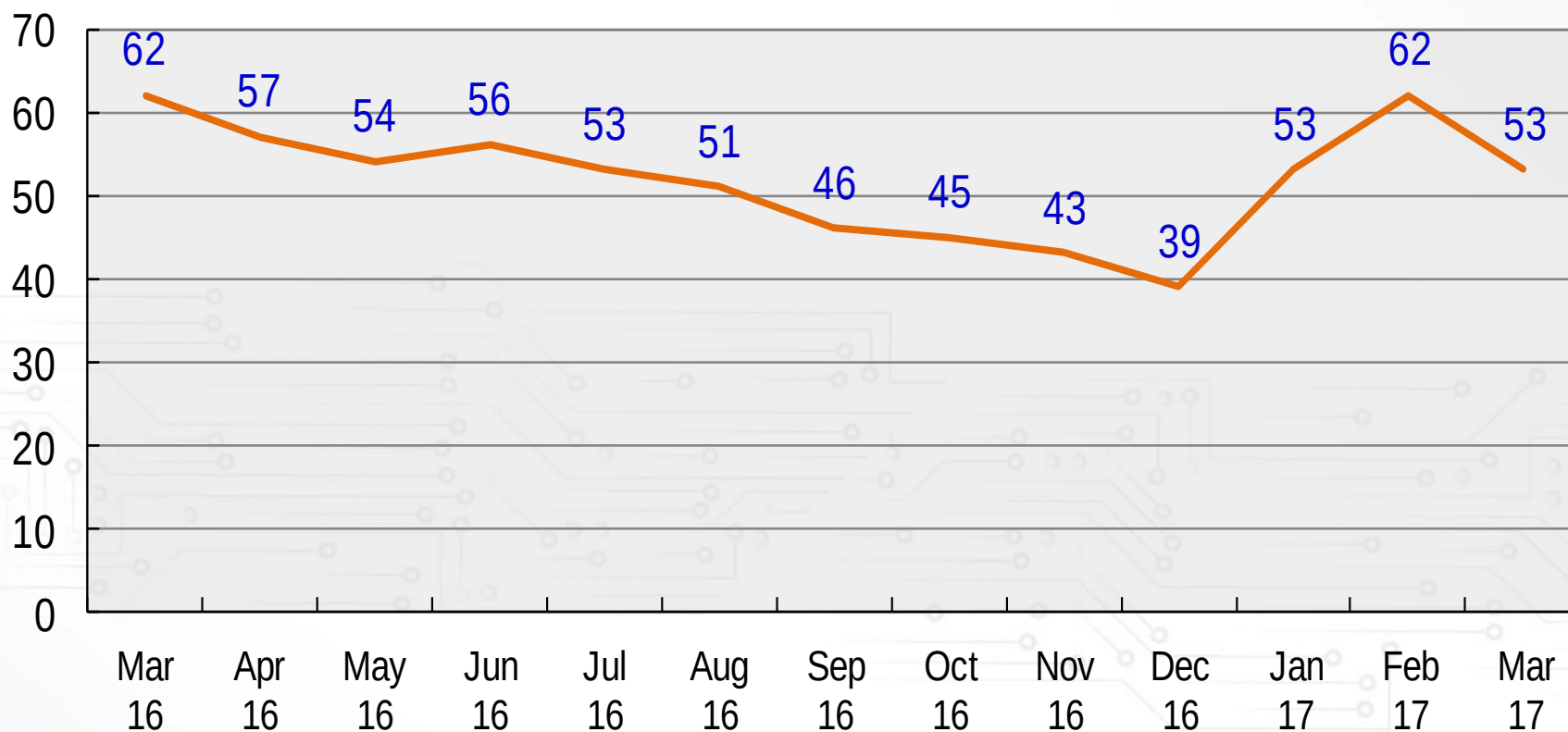


\* Excluding Goods-in-Transit

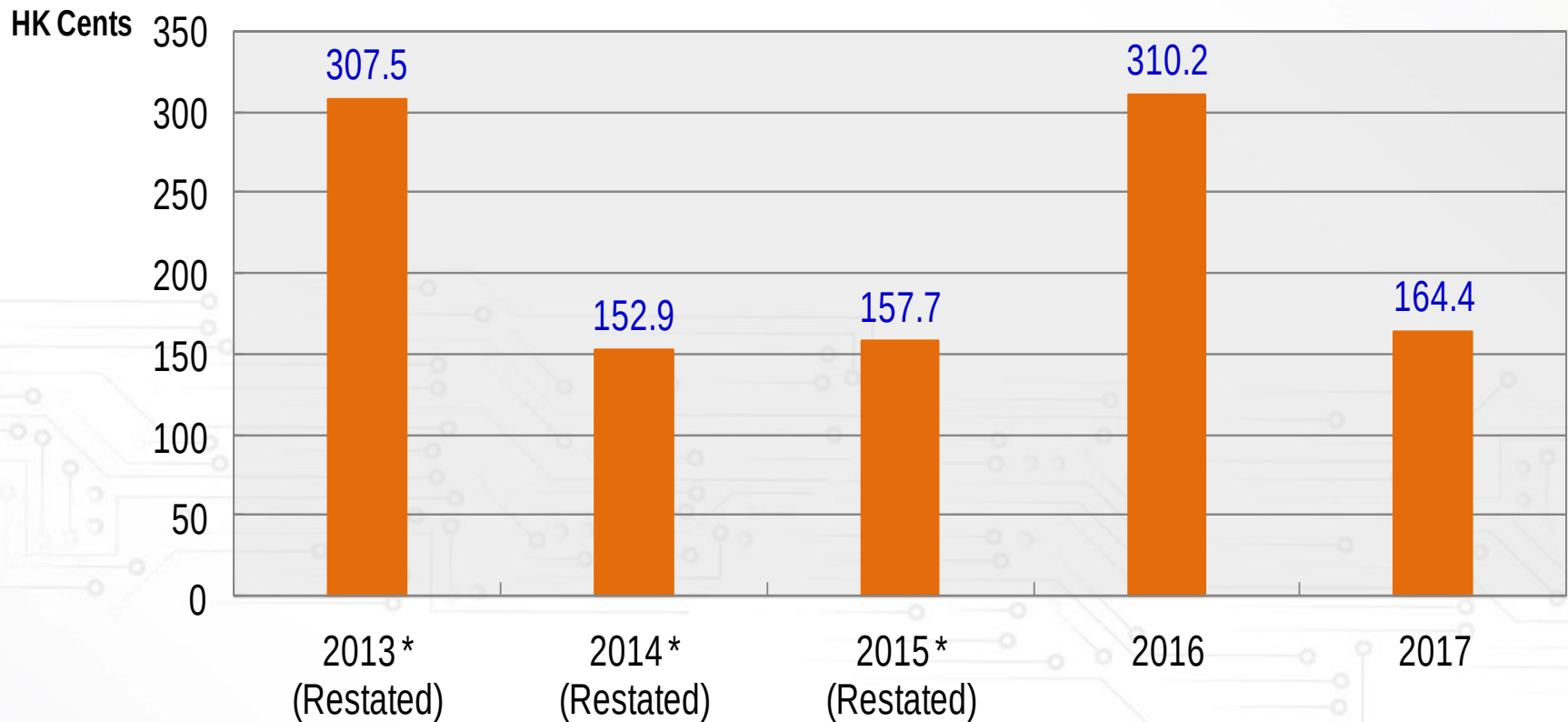
# Inventory Turnover Ratio



No. of days



# Net Cash Per Share



Net Cash: Cash and bank balances less bank borrowings

\* 2013, 2014, and 2015's figures are restated after taking the effect of 5-for-1 share consolidation effective on August 17, 2015.

## Business Review

- Business Segment Review
- Strengthen Our Position in China Distribution Market

# Business Review

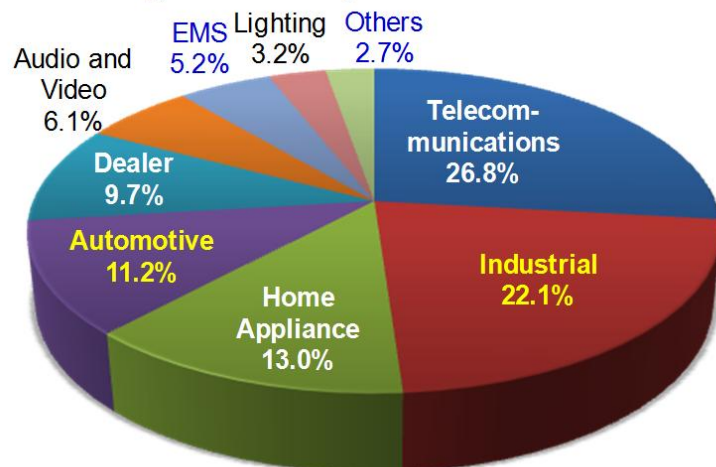
- Business Segment Review

# Business Segment Review

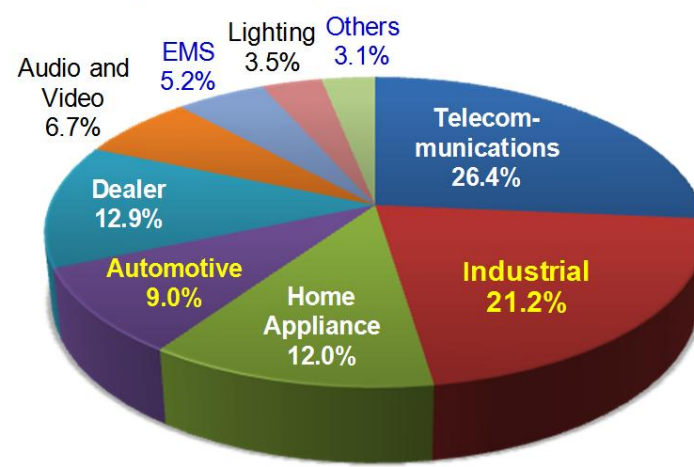
(in HK\$'000)

|                    | FY2017    |        |  | FY2016    |        |  | Increase (Decrease) |        |
|--------------------|-----------|--------|--|-----------|--------|--|---------------------|--------|
| Turnover           |           | %      |  |           | %      |  |                     | %      |
| Telecommunications | 1,041,889 | 26.8%  |  | 959,746   | 26.4%  |  | 82,143              | 8.6%   |
| Industrial         | 859,543   | 22.1%  |  | 771,287   | 21.2%  |  | 88,256              | 11.4%  |
| Home Appliance     | 506,182   | 13.0%  |  | 437,693   | 12.0%  |  | 68,489              | 15.6%  |
| Automotive         | 433,383   | 11.2%  |  | 327,447   | 9.0%   |  | 105,936             | 32.4%  |
| Dealer             | 376,447   | 9.7%   |  | 470,369   | 12.9%  |  | (93,922)            | -20.0% |
| Audio and Video    | 236,765   | 6.1%   |  | 244,655   | 6.7%   |  | (7,890)             | -3.2%  |
| EMS                | 201,326   | 5.2%   |  | 189,177   | 5.2%   |  | 12,149              | 6.4%   |
| Lighting           | 122,732   | 3.2%   |  | 123,220   | 3.5%   |  | (488)               | -0.4%  |
| Others             | 104,873   | 2.7%   |  | 112,032   | 3.1%   |  | (7,159)             | -6.4%  |
|                    | 3,883,140 | 100.0% |  | 3,635,626 | 100.0% |  | 247,514             | 6.8%   |

Segmental Analysis for FY2017



Segmental Analysis for FY2016



## Business Review

- Strengthen Our Position in China Distribution Market

# Distribution Model

## Distributor

## Customers



Coverage

Connection

Local Market Knowledge

Product Bundle

Technical Support

Finance

Logistic & IT

Stock & Buffer

## Suppliers



# Distribution Model - Differentiate

**Distributor**

**Customers**

**Suppliers**



Coverage

Connection

Local Market Knowledge

Product Bundle

Technical Support

Finance

Logistic & IT

Stock & Buffer



**Value-added Supply Chain**

# Strengthen Our Position in China Distribution Market



## 1. Coverage & Connection

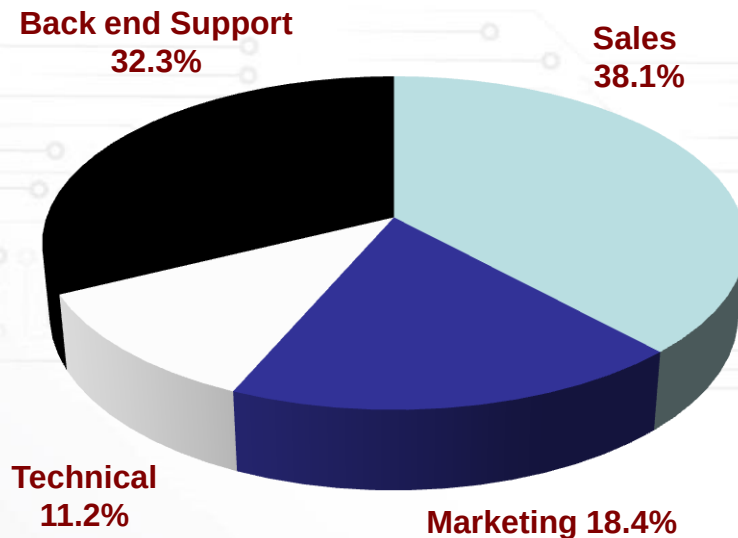


# Strengthen Our Position in China Distribution Market

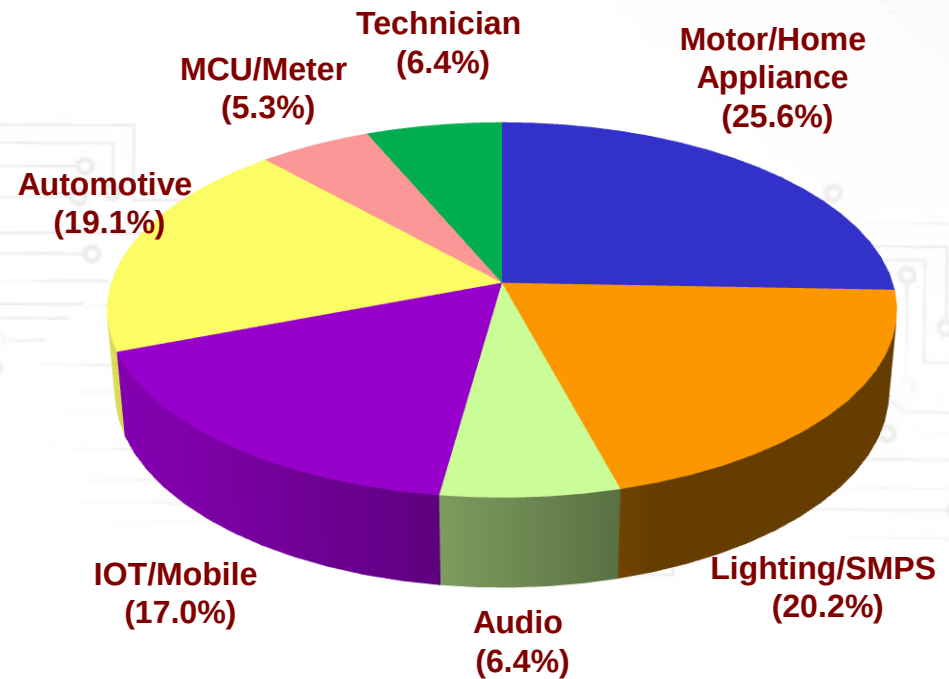


## 2. People

**Total Staff**



**Total Technical Staff**



**Focus on high value-added  
Mid – Long term project**

# Strengthen Our Position in China Distribution Market



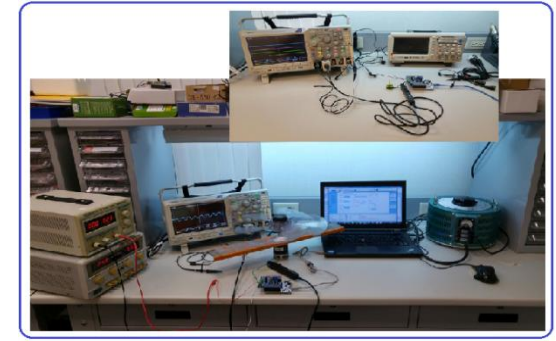
## 3. Engineering Facility



**Shenzhen Laboratory**



**Shanghai Laboratory**



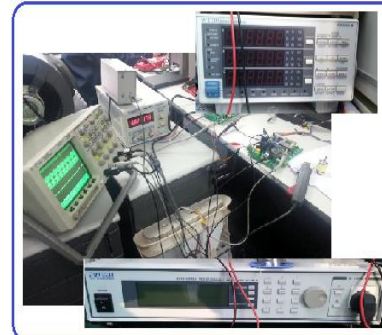
**Taiwan Laboratory**



**EMI Testing  
Equipment**



**Loading Machines  
And Analyzer**



**High Volt. DC Power  
Supply Oscilloscope  
& Current Probe**



**Audio Testing Room  
& Equipment**

# Strengthen Our Position in China Distribution Market

## 4. Production Ready Solution



**E Scooter**



**Hi-end Audio**



**50W LED Driver**



**50W Multi-function  
LED Driver**



**90W / 120W LED Driver**



**Wireless Charging**

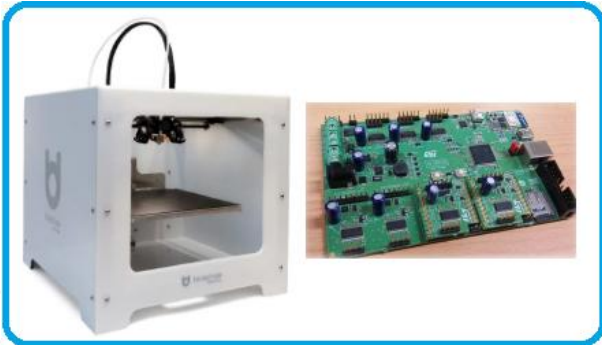


**Home Appliances**

# Strengthen Our Position in China Distribution Market



## 4. Production Ready Solution



**3D Printing**



**EV Charger**



**Terminal SMPS**



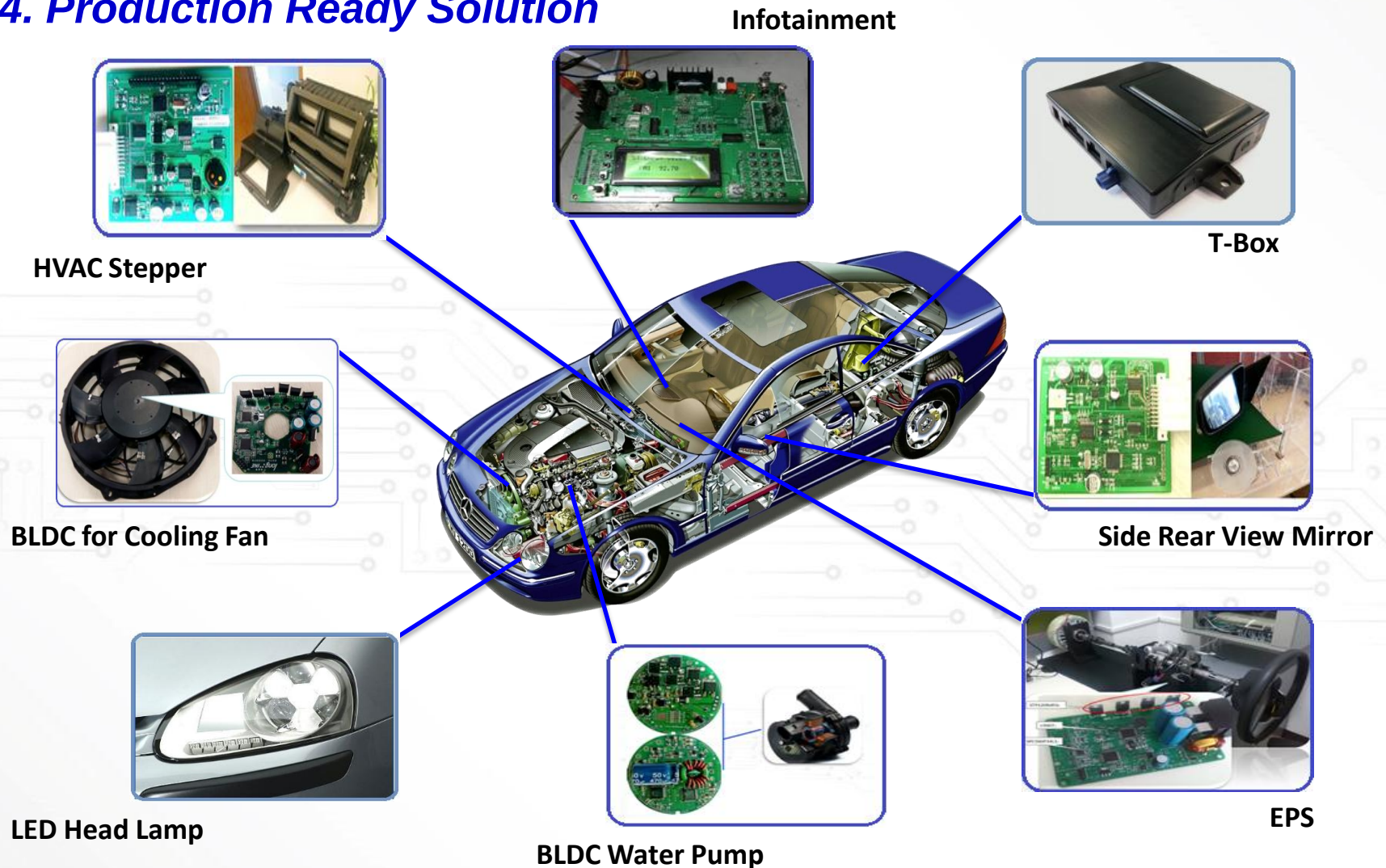
**Industrials**



**Industrial Pump**

# Strengthen Our Position in China Distribution Market

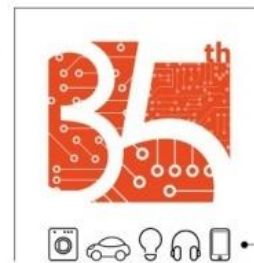
## 4. Production Ready Solution



# Target



- Differentiate ourselves to be an Engineering Professional Distributor
- Raise our Value in the Supply Chain
- Develop High value-added business
- Improve the Investment Return for our Investors



**Thank You!**