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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)

INSIDE INFORMATION
SUPPLEMENTAL ANNOUNCEMENT
(1) THE PROPOSED CHANGE OF AUDITORS;
(2) DELAY IN PUBLICATION OF ANNUAL RESULTS; AND
(3) CONTINUED SUSPENSION OF TRADING

This announcement is made by Willas-Array Electronics (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**HK Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**HK Stock Exchange**”) and Inside Information Provisions (as defined in the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated February 10, 2025 in relation to the proposed change of auditors (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

THE PROPOSED CHANGE OF AUDITORS

The Company would like to provide the following supplementary information in relation to the resignation of Deloitte Singapore as the auditors of the Company.

The Board wishes to announce that the Company is proposing to change its independent auditors from Deloitte Singapore to Ernst & Young LLP (“**EY Singapore**”) (the “**Proposed Change of Auditors**”).

Deloitte Singapore has served as independent auditors of the Company since August 29, 2022 after the approval of shareholders of the Company (“**Shareholders**”) had been obtained at the annual general meeting (“**AGM**”) of the Company held on August 29, 2022 and was re-appointed at the most recent AGM held on July 31, 2024 to hold office until the conclusion of the next AGM.

Following the close of the voluntary unconditional cash offers made by Texin (Hongkong) Electronics Co. Limited as announced by the Company on September 27, 2024, the Company became an indirect subsidiary of Shanghai YCT Electronics Group Co., Ltd. (“**Shanghai YCT**”). As at the date of this announcement, the auditor of Shanghai YCT and its subsidiaries but excluding the Group (“**Shanghai YCT Group**”), is Ernst & Young Hua Ming LLP. In view of the foregoing, notwithstanding the reappointment of Deloitte Singapore, the Board is of the view that the Proposed Change of Auditors would allow both Shanghai YCT Group and the Group to boost audit efficiencies and streamline the financial management process by engaging the same global firm of auditors. The Board is also of the view that this change will provide the Group with a fresh perspective and enhance the value of the audit. Although Deloitte Singapore has only served as the Company’s auditor for about two years, after consulting with the audit committee of the Company (the “**Audit Committee**”), the Board concludes that a change at this stage, as outlined above, is appropriate for good corporate governance and to benefit from the expertise of a new audit firm.

The decision to change auditors for the financial year ended December 31, 2024, which covers a nine-month period, was made to coincide with the organisational changes following the Company becoming an indirect subsidiary of Shanghai YCT. This allows the Company to streamline its audit processes earlier and effectively integrate such processes with Shanghai YCT Group’s auditor. In addition, the management of the Company had compared proposals from EY Singapore and Deloitte Singapore, and reviewed such proposals together with the Audit Committee and the Board. The Board, in consultation with the Audit Committee, having considered the needs of the Company and the Group, together with various factors such as the fee proposal and credentials of the proposed audit team, nominated and recommended the appointment of EY Singapore as the independent auditors of the Company.

In nominating and recommending the appointment of EY Singapore as the new independent auditors of the Company, the Board and the Audit Committee reviewed and took into consideration, among others, the requirements set out under Rules 712 and 715 of the SGX-ST Listing Manual, the adequacy of the resources and experience of EY Singapore, the audit engagement partner to be assigned to the audit, the other audit engagements of EY Singapore, EY Singapore’s ability to tap into its network for auditing a multi-national corporation, audit approach, transition plan, and the number and experience of supervisory and professional staff to be assigned to the audit. In this regard, the Audit Committee is of the view that:

- (a) the proposed audit engagement team, which comprises not less than 5 members, is sufficient and adequate to meet the audit requirements of the Group; and

- (b) the incoming audit engagement partner, who has over 34 years of experience in auditing issuers listed on SGX-ST or HK Stock Exchange, also has experience auditing companies in a similar industry and jurisdiction as the Group and possesses the requisite expertise to lead the audit engagement team in conducting the Group's audit.

The Board and the Audit Committee also took into account the general principles outlined under the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors issued by the Accounting and Financial Reporting Council of Hong Kong (the “**AFRC**”), which is to recommend an independent auditor to deliver a high quality audit at the engagement team and firm levels with audit fees not at a level that would compromise audit quality. In addition, the Audit Committee considered the Audit Quality Indicators Disclosure Framework introduced by the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”) in assessing the suitability of the proposed appointment, including a comparison of the industry average and range published by ACRA, and has assessed that EY Singapore is generally within such published industry range for Big-four firms. The scope of audit services to be provided by EY Singapore will be comparable to that provided by Deloitte Singapore. There will be no changes in the scope of the audit and the Company does not anticipate any reduction in the quality of audit arising from the change in auditors of the Company.

After evaluation, the Board, in consultation with the Audit Committee, is satisfied that EY Singapore will be able to meet the audit requirements of the Company without compromising the standard and effectiveness of the audit of the Company and the Group.

In view of the above reasons and rationale, the Board, with the recommendation of the Audit Committee, is of the opinion that the Proposed Change of Auditors is in the best interests of the Company and its shareholders as a whole.

In connection with the above, Deloitte Singapore has on February 10, 2025, given written notice of its intention to resign as the independent auditors of the Company to facilitate the change of auditors. Pursuant to Rule 712(3) of the SGX-ST Listing Manual, the Proposed Change of Auditors must be specifically approved by Shareholders in a general meeting. In connection with the foregoing, EY Singapore had on February 28, 2025 given its consent to act as independent auditors of the Company, subject to the approval of the Shareholders at the special general meeting of the Company (“**SGM**”) to be held in due course. On February 12, 2025, the AFRC of Hong Kong approved the application submitted by the Company for recognition of EY Singapore as an “overseas auditor” under the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong) (the “**AFRCO**”), and granted an approval-in-principle (“**AIP**”) recognising EY Singapore as a public interest entity auditor (“**PIE auditor**”) (as defined under section 3A of the AFRCO) of the Company. Upon receipt of this AIP, the Company is permitted to appoint EY Singapore to act as a PIE auditor of the Company pursuant to the AFRCO, for the audit of the Group's annual financial statements.

In compliance with section 13.51(4) of the HK Listing Rules:

- (a) the Board and the Audit Committee confirm that there is no disagreement between the Company and Deloitte Singapore and there are no circumstances in respect of the resignation of Deloitte Singapore which they consider should be brought to the attention of the Shareholders; and
- (b) Deloitte Singapore has provided a confirmation that there are no matters that need to be brought to the attention of holders of securities or credits of the Company in connection with its resignation.

The Audit Committee, after having discussed with Deloitte Singapore, is satisfied that all underlying reasons leading to the auditor's resignation have been disclosed in the Announcement and this announcement.

In addition, in compliance with Rule 1203(5) of the SGX-ST Listing Manual:

- (a) Deloitte Singapore has confirmed to EY Singapore by way of a letter dated February 10, 2025, that they are not aware of any professional reasons why the new auditors, EY Singapore, should not accept appointment as independent auditors of the Company;
- (b) the Company confirms that there were no disagreements with Deloitte Singapore on accounting treatments within the last 12 months up to the date of this announcement;
- (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that need to be brought to the attention of the Shareholders;
- (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are as disclosed above; and
- (e) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the SGX-ST Listing Manual in relation to the proposed appointment of EY Singapore as the independent auditors of the Company.

Subject to the approval of the Shareholders at the SGM, EY Singapore will be appointed as the independent auditors of the Company, to hold office until the conclusion of the next AGM.

As at the date of this announcement, the Company has no significant foreign associated companies, Singapore-incorporated subsidiaries or significant associated companies that are incorporated in Singapore.

In compliance with Rule 715(2) of the SGX-ST Listing Manual, the Company will engage a suitable auditing firm for its significant foreign-incorporated subsidiaries. In this regard, member firms of EY Singapore will be appointed to undertake the audit of the Company's significant foreign-incorporated subsidiaries.

A circular containing, among other things, information in relation to the Proposed Change of Auditors together with the notice convening the SGM will be despatched to the Shareholders in due course.

The Board takes this opportunity to express its sincere gratitude to Deloitte Singapore for its professional services rendered to the Company in the past years.

DELAY IN PUBLICATION OF 2024 AUDITED ANNUAL RESULTS

Pursuant to an announcement of the Company dated February 11, 2025, in relation to the receipt of approval from SGX-ST for extension of time to announce the audited financial statements for the nine months ended December 31, 2024 (the “**Period**”), it was stated that the Company expected to announce its audited results for the Period by March 31, 2025.

As mentioned above, pursuant to Rule 712(3) of the SGX-ST Listing Manual, the Proposed Change of Auditors must be specifically approved by the Shareholders in a general meeting. As additional time was required to prepare and finalise certain information to be included in the circular and the SGM to approve the Proposed Change of Auditors may not be held by March 31, 2025, it is unlikely that EY Singapore can complete the audit work for the audited financial results to be published by March 31, 2025.

Pursuant to Rule 13.49(1) of the HK Listing Rules, the Company is required to publish the financial results for the period ended December 31, 2024 no later than three months after the end of the financial period and the delay in publication of the financial results constitutes a non-compliance.

Rule 13.49(3) of the HK Listing Rules also provides that where an issuer is unable to issue the preliminary results, it must announce its results based on the financial results which have yet to be agreed with the auditor, so far as the information is available. In order to keep the Shareholders and the potential investors of the Company informed of the Group's business operation and financial position, the Board has decided to publish the unaudited financial results of the Company for Period on or before March 31, 2025 in compliance with relevant regulatory requirements in Hong Kong and Singapore.

Following the approval of the Shareholders for the Proposed Change of Auditors at the SGM being obtained and the completion of the audit by EY Singapore, the Company will publish the audited financial results as soon as practicable.

As announced by the Company on March 10, 2025, the Company has submitted a second extension application to SGX-ST request a further extension of time of 30 days to announce its audited financial statements for the Period by 30 April 2025 (the “**Second Extension Application**”). Based on discussions with Management, the Board understands that such publication of the audited financial results, may take place on or before April 30, 2025, subject to the SGX-ST granting its approval for the Second Extension Application. Further announcement(s) will be made by the Company as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company (the “**Shares**”) on the HK Stock Exchange has been suspended with effect from 9:00 a.m. on September 30, 2024 and will continue to be suspended pending the fulfilment of the resumption guidance and the grant of approval of the HK Stock Exchange for the resumption of trading of the Shares. The Company will keep the shareholders and potential investors informed of the latest progress as and when appropriate as well as announce quarterly update on its development pursuant to Rule 13.24A of the HK Listing Rules.

Holders of the Company’s securities and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong/Singapore, March 10, 2025

As at the date of this announcement, the Board comprises two executive Directors, namely Xie Lishu (Chairman) and Fan Qinsheng; 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.