

**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**

威雅利電子(集團)有限公司

(The “Company”)

*(Incorporated in Bermuda with limited liability)*

Minutes of Annual General Meeting held at Lengkuas, Level 2, Singapore Marriott Tang Plaza Hotel, 320 Orchard Road, Singapore 238865, on Friday, 28 July 2023 at 9:30 a.m.

**Shareholders’ Present** : As per attendance sheet

**In Attendance** : Mr. Xie Lishu (Chairman & Non-executive Director)  
Ms. Huang Shaoli (Non-executive Director)  
Mr. Hon Kar Chun (Managing Director & Executive Director)  
Mr. Leung Hon Shing (Executive Director, Chief Financial Officer and Company Secretary)  
Mr. Lim Lee Meng (Lead Independent Director and Independent Non-executive Director)  
Mr. Tang Wai Loong Kenneth (Independent Non-executive Director)  
Mr. Tong Kai Cheong (Independent Non-executive Director)

**By Invitation** : As per attendance sheet

**CHAIRMAN**

Mr. Xie Lishu (“Mr. Xie”), chairman of the board of directors of the Company (the “Directors”, the “Board” and the “Chairman”, respectively), took the chair and welcomed all present to the Company’s annual general meeting (the “AGM”).

After obtaining confirmation from the Company Secretary that a quorum was present, the Chairman called the meeting to order at 9:30 a.m. and hand the meeting over to Mr. Leung Hon Shing (“Mr. Leung”), the Company Secretary of the Company, to proceed with the business of this meeting.

Mr. Leung informed the members that in line with the requirements of the applicable listing rules, all resolutions at the meeting would be put to vote by way of a poll. He further informed the members that Boardroom Corporate & Advisory Services Pte. Ltd. was appointed as the polling agent and Reliance 3P Advisory Pte. Ltd. was appointed as the scrutineer. He then requested a representative of Boardroom Corporate & Advisory Services Pte. Ltd., the Polling Agent to take the members through the poll voting process. The Polling Agent then took the members through the poll voting procedures and thereafter handed the meeting back to Mr. Leung.

## **NOTICE OF MEETING**

Mr. Leung suggested that as the notice convening the AGM has been circulated to all the shareholders of the Company (the “Shareholders”) for the requisite period before the AGM, it be taken as read.

At this juncture, Mr. Leung informed the Shareholders on the process of dealing with the items on the agenda, whereby he will begin by introducing the agenda items in sequence and thereafter request for a proposer and a seconder on the respective motions. Following which he will invite Shareholders to put forth their queries on the respective motions, to which he and his fellow Board members will attempt to answer. A poll will be taken respectively on each of the motion after the queries that were raised by the members on the motion concerned have been dealt with accordingly.

Mr. Leung then moved into the business of the meeting:-

## **MEETING AGENDA**

### **RESOLUTION 1 - AUDITED CONSOLIDATED FINANCIAL STATEMENTS TOGETHER WITH DIRECTORS’ REPORT AND INDEPENDENT AUDITOR’S REPORT THEREON**

Mr. Leung invited question from the floor after the motion to read, consider and adopt the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2023 together with the Directors’ Report and Independent Auditor’s Report thereon, had been duly proposed and seconded.

A Shareholder welcomed Mr. Xie, the new Chairman of the Company to the Board. He noted that the Chairman is from China and have a listed company in Shenzhen. Hence, he would like to know if the Company has any working relationship with the Chairman or the Chairman has planned any strategy in terms of the Company’s growth.

The Chairman informed the Shareholder that there hasn’t been significant improvement in the Company’s operations. The Company will be transitioning its focus to the automotive segment, with a particular emphasis on the new energy vehicle industry. Additionally, the Board will work towards enhancing the Company’s profitability through increasing the revenue and measures like cost rationalization.

In view of the point of the Chairman, a Shareholder noted that the Company has planned to increase the Company’s margin. Hence, he has further enquired the Company to provide what measures / strategy would be adopted for cost rationalization and increasing the margin for the Company.

The Chairman communicated to the Shareholder that due to the sensitive nature of the pricing issue, it is not possible to provide an answer to this question.

A Shareholder also raised a question about the current inventory level and borrowing level. The inventory level has shown an increase compared to the previous year, rising from HK\$360 million to HK\$586 million. He would like to understand whether there are any indications of impairment in the inventory, given that the Company's cash flow situation in last year was not very good due to the increase in inventory level and interest rates.

Mr. Hon Kar Chun ("Mr. Hon") informed the Shareholder that when comparing the inventory level at the beginning of the previous year, where there was still shortage that the inventory level was very low (inventory turnover period of about 1 month), while at the end of last fiscal year, inventory turnover period was slightly above 2 months. The later turnover period is the market norm. The pandemic led to disruptions in the supply chain, causing an imbalance between demand and supply. With the reopening of markets, corrective measures will be implemented to restore equilibrium throughout the supply chain and the Company should be able to maintain sufficient inventory in the supply chain.

Mr. Leung added that there was not much inventory impairment this year. While for the coming year, there has been a slowdown in the electronics market in comparison to the preceding years. Consequently, there exists a potential for making inventory provision while the Company will proactively manage and constrain inventory levels. Regarding the interest rates, Mr. Leung highlighted that interest rate challenges are being experienced by various companies on a global scale. It was also noted that the Federal interest rate has exceeded 5%. However, the Company is actively engaged in devising plans and strategies for reducing costs in this context and the Company is committed to optimizing its financial management to effectively mitigate financial costs.

The last question raised by a Shareholder was how the margins would be maintained for the Company to make a minimum amount of profit and not lose money.

Mr. Hon informed the Shareholder that the Company will try to increase the margin and be cautious in monitoring the operating cost especially the financial cost.

A Shareholder enquired on the update on any early signs of turnaround in the Industrial and Home Appliance segment in the past few months.

Mr. Hon informed the Shareholder that due to extreme weather, the supply of air conditioners in the home appliance segment was quite good. On the other hand, there were some adjustments in sales for the washing machines after the end of pandemic.

The other key factor is that the property market in China has been cool down in the past two years while the market is expecting Government policy for the property market which can help to improve the home appliance segment. Further, the Government wants to boost the domestic consumption in China. Alongside, there are two key factors which the Government put a lot of effort to maintain and even boost domestic spending, i.e. automotive segment (especially the new energy car) and the home appliance energy efficiency upgrade.

For the industrial segment, which includes various kind of power supply, some LCD module and e-meter related to the gas network, power network and energy storage network. For the area relating to consumer electronics, the demand is a bit slow. However, for the building network and power network, the demand is getting stable as they are building infrastructure. It was also noted that, for this kind of energy storage, a lot of countries are developing certain renewable energy sources for storage purpose. Therefore, industrial segment are still expecting growth.

As there were no further questions in relation to the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2023 together with the Directors' Report and Independent Auditor's Report, the ordinary resolution was passed by the Shareholders by way of a poll:-

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,302,227	34,302,227	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 1 duly carried.

## **RESOLUTION 2 – RE-ELECTION OF DIRECTOR**

Mr. Leung invited questions from the floor after the motion to re-elect Mr. Xie Lishu (who has been appointed on May 20, 2023) pursuant to bye-law 107(B) of the Company's Bye-Laws as a Non-executive Director of the Company had been duly proposed and seconded.

As there were no questions in relation to the re-election of Mr. Xie Lishu, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

<b>Total number of shares represented by votes for and against the relevant resolution</b>	<b>For</b>		<b>Against</b>	
	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>
34,642,437	34,642,437	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 2 duly carried.

### **RESOLUTION 3 – RE-ELECTION OF DIRECTOR**

Mr. Leung invited questions from the floor after the motion to re-elect Ms. Huang Shaoli (who has been appointed on May 20, 2023) pursuant to bye-law 107(B) of the Company's Bye-Laws as a Non-executive Director of the Company had been duly proposed and seconded.

As there were no questions in relation to the re-election of Ms. Huang Shaoli, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

<b>Total number of shares represented by votes for and against the relevant resolution</b>	<b>For</b>		<b>Against</b>	
	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>
34,309,927	34,309,927	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 3 duly carried.

**RESOLUTION 4 - DIRECTORS' FEES TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2024.**

Mr. Leung invited questions from the floor after the motion to approve the proposed Directors' Fees of S\$150,000/- to the Independent Non-executive Directors for the financial year ending March 31, 2024 had been duly proposed and seconded.

As there were no questions in relation to the Directors' Fees of S\$150,000/- to the Independent Non-executive Directors for the financial year ending March 31, 2024, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,201,467	34,201,467	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 4 duly carried.

**RESOLUTION 5 – DIRECTOR'S FEE TO THE NON-EXECUTIVE DIRECTOR, MR. XIE LISHU, FOR THE PERIOD FROM MAY 20, 2023 TO MARCH 31, 2024**

Mr. Leung invited questions from the floor after the motion to approve the Director's Fee of HK\$ 779,000/- to the Non-executive Director, Mr. Xie Lishu, for the period from May 20, 2023 to March 31, 2024 had been duly proposed and seconded.

A Shareholder would like to know whether last year have the same Directors' fees as the resolutions and the actual fees.

Mr. Leung have informed the Shareholder that the Company have approved the Directors' fees in last year and director's fee to Mr. Xie amount to half of last year's director's fee.

As there were no further questions in relation to the Director's Fee of HK\$779,000/- to the Non-executive Director, Mr. Xie Lishu, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,217,737	34,217,737	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 5 duly carried.

**RESOLUTION 6 – DIRECTOR’S FEE TO THE NON-EXECUTIVE DIRECTOR, MS. HUANG SHAOLI, FOR THE PERIOD FROM MAY 20, 2023 TO MARCH 31, 2024**

Mr. Leung invited questions from the floor after the motion to approve the Director’s Fee of HK\$ 675,000/- to the Non-executive Director, Ms. Huang Shaoli, for the period from May 20, 2023 to March 31, 2024 had been duly proposed and seconded.

As there were no questions in relation to the Director’s Fee of HK\$675,000/- to the Non-executive Director, Ms. Huang Shaoli, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,217,737	34,217,737	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 6 duly carried.

**RESOLUTION 7 - RE-APPOINTMENT OF INDEPENDENT AUDITOR**

Mr. Leung invited questions from the floor after the motion to re-appoint Messrs. Deloitte & Touche LLP as the independent auditor of the Company and to authorise the Directors to fix their remuneration had been duly proposed and seconded.

As there were no questions in relation to the re-appointment of the independent auditor, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,209,577	34,209,577	100.00%	0	0.00%

Based on the result, Mr. Leung declared the Resolution 7 duly carried.

#### **RESOLUTION 8 - AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES**

Mr. Leung invited questions from the floor after the motion to authorize the Directors to allot and issue new ordinary shares of HK\$1.00 each in the share capital of the Company (the “Shares”) had been duly proposed and seconded.

A Shareholder would like to know whether the Company has any plan to issue new Shares in the short-term and whether this resolution has included in the Employee Share Option Scheme (“ESOS”).

Mr. Leung informed the Shareholder that the Company does not has any plan to issue new Shares at this moment and this resolution does not include the ESOS.

As there were no further questions in relation to the authority to Directors to allot and issue Shares, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

Total number of shares represented by votes for and against the relevant resolution	For		Against	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
34,667,759	25,859,915	74.59%	8,807,844	25.41%

Based on the result, Mr. Leung declared the Resolution 8 duly carried.



**RESOLVED** THAT pursuant to Rule 806 of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**” and the “**SGX-ST Listing Manual**”, respectively) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**” and the “**Hong Kong Listing Rules**”, respectively):

- (a) subject to paragraph (c) below and pursuant to the SGX-ST Listing Manual and the Hong Kong Listing Rules, respectively, authority be and is hereby given to the directors of the Company (the “**Directors**”), at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, to exercise all the powers of the Company to allot and issue new ordinary shares of HK\$1.00 each in the share capital of the Company (the “**Shares**”) (whether by way of rights, bonus or otherwise) or securities convertible into Shares or options, warrants or similar rights to subscribe or exchange for Shares or convertible securities, and to make or grant offers, agreements, options or similar rights that might or would require Shares to be issued (the “**Instruments**”), including but not limited to, warrants or similar Instruments;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant Instruments during the Relevant Period (as defined below), which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to Instruments or otherwise) by the Directors pursuant to the approval in paragraph (a) above, shall not exceed 50% of the total number of Shares in issue (as defined below) (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with paragraph (d) below), of which the aggregate number of Shares (including the Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to Instruments or otherwise) other than on a *pro-rata* basis to the existing shareholders of the Company (the “**Shareholders**”) shall not exceed 20% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with paragraph (d) below) as at the date of passing this Resolution provided that if any subsequent bonus issue, reduction, consolidation or sub-division of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of Shares in issue immediately before and after such bonus issue, reduction, consolidation or sub-division shall be the same and such maximum number of Shares shall be adjusted accordingly; and

(d) for the purpose of this Resolution:

**“Relevant Period”** means the period from the date of passing of this Resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company (the **“AGM”**); or
- (ii) the date by which the next AGM is required by applicable laws or by the bye-laws of the Company (the **“Bye-laws”**) to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting; and

**“total number of Shares in issue”** means (subject to such manner of calculation as may be prescribed by the SGX-ST and/or the Hong Kong Stock Exchange for the purpose of determining the aggregate number of Shares that may be issued under paragraph (c) above) the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the share capital of the Company at the time this Resolution is passed, after adjusting for: (I) any new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards, which are outstanding or subsisting at the time this Resolution is passed; and (II) any subsequent bonus issue, reduction, consolidation or sub-division of Shares.”

**RESOLUTION 9 – TO DETERMINE THE MAXIMUM NUMBER OF DIRECTORS AND GRANT AUTHORIZATION TO THE DIRECTORS TO APPOINT ANY PERSON AS ADDITIONAL DIRECTORS UP TO SUCH MAXIMUM NUMBER**

Mr. Leung invited questions from the floor after the motion to determine the maximum number of Directors at 15 and grant authorization to the Directors to appoint any person as additional Directors up to such maximum number, provided, any such additional Directors so appointed shall hold office only until the conclusion of the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the meeting had been duly proposed and seconded.

A Shareholder enquired on the reasoning of putting Ordinary Resolution No.9.

Mr. Leung informed the Shareholder that the Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the **“SEHK”**) and Singapore Exchange Securities Trading Limited, wherein the maximum number of Directors have not been fixed in the Board. However, for this financial year the Ordinary Resolution No. 9 has been passed to comply with the Code of Corporate Governance 2018 of Singapore and the Corporate Governance Code set out in Appendix 14 to the Rules Governing the Listing of Securities on the SEHK so that the correct Board composition is maintained.

As there were no further questions in relation to the determination of the maximum number of Directors and grant authorization to the Directors to appoint any person as additional Directors up to such maximum number, the ordinary resolution was passed by the Shareholders by way of a poll.

The results of the poll were as follows: -

<b>Total number of shares represented by votes for and against the relevant resolution</b>	<b>For</b>		<b>Against</b>	
	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>	<b>Number of shares</b>	<b>As a percentage of total number of votes for and against the resolution (%)</b>
34,334,589	26,209,405	76.34%	8,125,184	23.66%

Based on the result, Mr. Leung declared the Resolution 9 duly carried.

#### **TERMINATION OF MEETING**

There being no further business, the meeting terminated with a vote of thanks to the Chair at 10:30 a.m.

Confirmed by

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XIE LISHU

CHAIRMAN OF THE MEETING