

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**聯志國際控股有限公司**  
**(Incorporated in the Cayman Islands on 8 October 2007)**  
**(Registration No. MC-196613)**  
**(the “Company”)**

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT 10 COLLYER QUAY, #27-00, OCEAN FINANCIAL CENTRE, SINGAPORE 049315 AND BY WAY OF ELECTRONIC MEANS ON THURSDAY, 27 APRIL 2022 AT 2.30 P.M.**

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**PRESENT: AS PER ATTENDANCE SHEET**

**1. INTRODUCTION**

Mr. Wee Sung Leng (“**Mr. Wee**” or the “**Chairman**”), the Lead Independent Director of the board of directors of the Company (the “**Board**” or the “**Directors**”) and Chairman of the Company’s Annual General Meeting for the financial year ended 31 December 2022 (the “**Meeting**”) greeted the shareholders of the Company (“**Shareholders**”) and welcomed them to the Meeting held at 10 Collyer Quay, #27-00, Ocean Financial Centre, Singapore 049315 and by way of electronic means.

Mr. Wee proceeded to introduce the Board of Directors and the Company’s professional team to Shareholders.

In line with the guidelines and recommendations of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and taking into account the provisions of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Company had opted to conduct the Meeting physically in person at 10 Collyer Quay, #27-00, Ocean Financial Centre, Singapore 049315 (the “**Physical Meeting**”) and by way of electronic means (the “**Virtual Meeting**”).

**2. QUORUM**

Having ascertained that a quorum was present and that proxies lodged had been checked and ascertained to be in order, the Meeting was called to order at 2.35 p.m.

**3. NOTICE OF MEETING**

As the notice of the Meeting dated 12 April 2023 (“**Notice**”) had been circulated to the Shareholders for the statutory period, the Notice was taken as read.

**4. EXPLANATION ON SHAREHOLDERS’ QUESTIONS, VOTING AND APPOINTMENT OF SCRUTINEER**

The Chairman explained that Shareholders would be able to ask questions live at the Physical Meeting or live during the Virtual Meeting by submitting text-based questions during the Meeting within a prescribed time limit. In addition, Shareholders had been permitted to submit questions in advance. No questions had been received in advance of the Meeting. Where there were substantially similar questions the Company would consolidate such questions, and consequently not all questions may be individually addressed.

The Chairman also explained that Shareholders could cast their votes electronically for each resolution set forth in the Notice live at the Physical Meeting or the Virtual Meeting or appoint a proxy (other than the Chairman) to vote by electronic means live at the AGM on their behalf. Shareholders could vote and/or change their votes in respect of the resolutions at any point during

the Meeting until the Company announced that the electronic voting system would be closed for tallying of results. As an alternative to live electronic voting, all resolutions set forth in the Notice could be voted on by way of Shareholders having submitted valid proxy forms at least 48 hours before the Meeting appointing the Chairman as proxy to attend, speak and vote on their behalf at the Meeting. The Chairman would cast the votes on behalf of all Shareholders who had submitted proxy forms in accordance with their indication on how they wished to vote for or vote against (or abstain from voting on) the resolutions. Based on the valid proxy forms received, the votes had been tallied and verified in advance for each of the resolutions set forth in the Notice.

The Chairman informed Shareholders that minutes of the Meeting would be published by the Company within one month on SGXNET and the Company's corporate website and that Morgan Lewis Stamford LLC had been appointed as scrutineers for the poll.

The Chairman informed Shareholders that the system had been opened for Shareholders to submit their text-based questions and for Shareholders to cast their votes electronically for each resolution set forth in the Notice, and that the system would remain open until announced by the Company.

#### **ORDINARY BUSINESS**

##### **5. RESOLUTION 1 DIRECTOR'S STATEMENT, AUDITED FINANCIAL STATEMENTS AND AUDITOR'S REPORT**

The Chairman proceeded to the first business on the agenda, namely, Resolution 1, which read as follows:

"To receive and adopt the Director's Statement, Audited Financial Statements and the Auditor's Report of the Company for the financial year ended 31 December 2022."

As there were no questions received in relation to Resolution 1, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

##### **6. RESOLUTION 2 DIRECTORS' FEES**

The Chairman proceeded to the next agenda item which related to the following Resolution 2:

"To approve the payment of Directors' Fees of S\$376,715 for the financial year ending 31 December 2023."

As there were no questions received in relation to Resolution 2, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

##### **7. RESOLUTION 3 RE-ELECTION OF MR. TAM JO TAK, DOMINIC**

Moving on to the next agenda item, the Chairman presented the next agenda item that related to the proposed re-election of Mr. Tam Jo Tak, Dominic as Director of the Company.

Resolution 3 read:

“To re-elect Mr. Tam Jo Tak, Dominic, a Director retiring pursuant to Article 86 of the Company’s Articles of Association.”

As there were no questions received in relation to Resolution 3, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**8. RESOLUTION 4  
RE-ELECTION OF MR. HU HOU ZHI**

Moving on to the next agenda item, the Chairman presented the next agenda item that related to the proposed re-election of Mr. Hu Hou Zhi as Director of the Company.

Resolution 4 read:

“To re-elect Mr. Hu Hou Zhi, a Director retiring pursuant to Article 86 of the Company’s Articles of Association.”

As there were no questions received in relation to Resolution 4, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**9. RESOLUTION 5  
CONFIRMATION AND RE-ELECTION OF MR. TO SIU LUN, DICKY**

Moving on to the next agenda item, the Chairman presented the next agenda item that related to the proposed confirmation and re-election of Mr. To Siu Lun, Dicky as Director of the Company.

Resolution 5 read:

“To confirm Mr. To Siu Lun, Dicky’s appointment as a Director with effect from 27 March 2023 and to re-elect Mr. To Siu Lun, Dicky, a Director retiring pursuant to Article 85 of the Company’s Articles of Association.”

As there were no questions received in relation to Resolution 5, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**10. RESOLUTION 6  
RE-APPOINTMENT OF JOINT AUDITORS**

Moving on to the next agenda item, the Chairman presented the next agenda item that related to the proposed re-appointment of RSM Hong Kong and RSM Chio Lim LLP as joint Auditors of the Company.

Resolution 6 read:

“To re-appoint Messrs RSM Hong Kong and RSM Chio Lim LLP as joint Auditors, and to authorise the Directors of the Company to fix their remuneration.”

As there were no questions received in relation to Resolution 6, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**11. RESOLUTION 7  
DECLARATION OF FINAL DIVIDEND**

Moving on to the next agenda item, the Chairman presented the next agenda item that related to the proposed declaration of a final tax-exempt one-tier dividend of Singapore 5.0 cents per ordinary share in respect of the financial year ended 31 December 2022.

Resolution 7 read:

“To declare a final tax-exempt one-tier dividend of Singapore 5.0 cents per ordinary share in respect of the financial year ended 31 December 2022.”

As there were no questions received in relation to Resolution 7, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**SPECIAL BUSINESS**

**12. RESOLUTION 8  
SHARE ISSUE MANDATE**

The Meeting then moved on to the Special Business to be transacted.

The Chairman presented Resolution 7 as a special business for Shareholders’ approval and adoption, the Share Issue Mandate to authorise the Directors to allot and issue shares and convertible securities in the Company at its discretion. The Chairman informed Shareholders that the full text of Resolution 8 could be found in the Annual Report.

As there were no questions received in relation to Resolution 8, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**13. RESOLUTION 9  
RENEWAL OF SHARE PURCHASE MANDATE**

The Chairman presented the next item of Special Business on the agenda which was to approve and adopt the renewal of the Share Purchase Mandate. The Chairman referred Shareholders to the full text of Resolution 9 in the Annual Report.

As there were no questions received in relation to Resolution 9, the Chairman informed Shareholders that the resolution was put to a vote and that Shareholders may cast their votes via the electronic voting system.

**14. QUESTIONS FROM SHAREHOLDERS**

The Chairman proceeded to open the floor to Shareholders to ask any other substantial and relevant questions that Shareholders may have.

**Question 1**

*The Company has spent more than HKD500 million in terms of capex in the last 5 years building up the various plants (e.g. paper production). Has the major transformation and upgrading and*

*expansion been completed? What are the plans moving forward other than the setting up of the third paper product? Is there anything else that will require major capex e.g. in the next two years.*

Mr. Simon Suen (“**Mr. Suen**”), the Chief Financial Officer of the Company, responded that the Company was currently in its transformation process and green journey. Other than setting up the Group’s paper production lines in the last 2 years, the Group has cooperated with a company mainly producing plush toys. The Group will have an agreement with them and will set up the facilities in the Indonesia sites. The Group is expanding its Indonesia site, and will likely have a new segment by the end of the year. The Group will also continue to upgrade its facilities for its existing sites. Apart from paper products, the Group will also have plush products.

*For the plush products, will the pace of capex be maintained as per previous years?*

Mr. Suen replied that the Group was also planning to expand its land and undertake refurbishments to existing sites. As part of the Group’s green journey, some machineries would also have to be upgraded for better efficiency and emission control, so as to be more environmentally friendly. Hence, the Group foresees that it will still have some investment in capex in the future.

*What is management’s view on this? Based on the net profit of the Company, it seems that the capex spending is rather aggressive and not sustainable in the long-term. What competitive advantage does the Company have to enter into the plush segment and spend such a large amount of capex on this?*

Mr. Suen replied that continued investment is important to the Company. This constituted not just investment in capex, but also in new material applications (e.g. in respect of greener material applications). The Group is of the opinion that continued investment is important to the Group to keep the Group more sustainable in terms of future profits.

## **Question 2**

*In respect of the Dongguan plant, moving forward, would it continue to be the Company’s headquarters?*

Mr. Suen responded that Dongguan was one of the Group’s oldest sites, and that the Group would continue to keep it as its headquarters in China. The Group’s R&D centre is now in Heyuan. These are different functions. The Group intends to, for the foreseeable future, keep its China headquarters in Dongguan, its R&D centre in Heyuan, and its global headquarters in Hong Kong.

*In 2018, when the sale of the Dongguan site was done, was it because the Company foresaw that a significant amount of funds would be required for expansion? Was it done to facilitate funds or was it a business decision? Why sell it if it is still being used as the China headquarters?*

Mr. Suen replied that the sale of the Dongguan site in 2018 was different from the Group’s current Dongguan site – that site was much larger than the Group’s existing Dongguan site. At that time, the Group were expanding in Indonesia and Guangxi, and hence the Company required the cashflow in order to invest in those sites.

*For the Guangxi site, I understand that there must be some commitment to invest in order to obtain the government benefits and funding. Has the Company fulfilled or the conditions or is it still ongoing?*

Mr. Suen replied that the Group has enjoyed some benefits from the government for the last 2 years. Starting from this year, the Group has started to pay the rent, and it was returning to normal

as per its other sites. He emphasized that the Group had built connections with local governments. In addition, the Group's strong focus on ESG will help the Group continuously build up and strengthen its relationships with the local governments in Guangxi.

### **Question 3**

*It was previously mentioned that the Group had a target gross profit margin of around 8%. Given the expansion and vertical integration, is the Group still looking at 8% gross profit margin?*

Mr. Suen responded that the Group had set the target a little higher now, as the 2022 gross profit margin was more than 10% now. This was mainly because the Group made investments into automation, advanced efficiencies and undertook a review of its manufacturing process. The Group also invested in paper products, which contributed to gross profit margin. As the Group continues to invest and improve its processes, it targets to enhance its efficiencies and productivity.

### **Question 4**

*For your key customer, they do not only focus on plastic toys. They have also gone into paper toys and books. Does this affect the Company in the long term?*

Mr. Suen responded that this was unlikely to affect the Group, as the Group was also expanding its paper products expansion line in line with the needs of its customers and as part of the Group's green journey. The Group continues to maintain good and long-standing relationships with its major customers.

*Do paper products include books as well?*

Mr. Suen replied that it also includes toy materials in books.

### **Question 5**

*Previously, the Company had wanted to dual-list in Korea. Are there any similar plans? What is the value of the Singapore listing for the Company right now – does it help the Company?*

Mr. Suen responded that the Group wanted to diversify itself as an international company. The Group has headquarters in Hong Kong, factories in China and Indonesia, and a listing in Singapore. This helps us with our negotiations with our customers and shows to them greater transparency. This not only benefits our customers, but also benefits our shareholders and investors.

## **15. CLOSING OF ELECTRONIC VOTING SYSTEM AND TALLYING OF VOTES**

As there were no further questions, the Chairman proceeded inform Shareholders that the Company would be closing the electronic voting system in 2 minutes' time. If Shareholders wished to vote or change their votes in respect of any of the resolutions, they were to do so within the 2 minutes buffer time. After 2 minutes had passed, the Chairman announced that the electronic voting system had been closed. The Chairman proceeded to request for Shareholders to wait for about 5 minutes while the tallying of the votes was in progress.

After tallying of the votes had been completed, the Chairman proceeded to announce the results of the resolutions at the Meeting.

## **16. RESULTS**

The Chairman proceeded to announce the voting results for each of the resolutions tabled at the Meeting. The summary of the results of the resolutions at the Meeting is as follows:

Resolution number and details	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 (%)	
<b>As Ordinary Business</b>						
1. To receive and adopt the Directors' Statement, Audited Financial Statements and the Auditors' Report of the Company for the financial year ended 31 December 2022.	25,433,500	25,433,500	100%	0	0%	
2. To approve the payment of Directors' Fees of S\$376,715 for the financial year ending 31 December 2023 (2022: S\$280,000).	25,433,500	25,433,500	100%	0	0%	
3. To re-elect Mr. Tam Jo Tak, Dominic, a Director retiring pursuant to Article 86 of the Company's Articles of Association.	25,433,500	25,433,500	100%	0	0%	
4. To re-elect Hu Hou Zhi, a Director retiring pursuant to Article 86 of the Company's Articles of Association.	25,433,500	25,433,500	100%	0	0%	

Resolution number and details	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 (%)
5. To confirm Mr. To Siu Lun, Dicky's appointment as a Director with effect from 27 March 2023 and to re-elect Mr. To Siu Lun, Dicky, a Director retiring pursuant to Article 85 of the Company's Articles of Association.	25,433,500	25,433,500	100%	0	0%
6. To re-appoint Messrs RSM Hong Kong and RSM Chio Lim LLP as joint Auditors, and to authorise the Directors of the Company to fix their remuneration.	25,433,500	25,433,500	100%	0	0%
7. To declare a final tax-exempt one-tier dividend of Singapore 5.0 cents per ordinary share in respect of the financial year ended 31 December 2022.	25,433,500	25,433,500	100%	0	0%



Resolution number and details	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 (%)	
<b>As Special Business</b>						
8. To authorise the Directors to allot and issue shares pursuant to Rule 806 of the Listing Manual of The Singapore Exchange Securities Trading Limited.	25,433,500	25,396,500	99.85%	37,000	0.15%	
9. To approve and adopt the renewal of the Share Purchase Mandate.	25,433,500	25,433,500	100%	0	0%	

The Chairman declared that each of the resolutions had been duly passed.

## 17. CONCLUSION

There being no other business, the Meeting concluded at 3.20 p.m. with a note of thanks from the Chairman to all Shareholders present for their attendance.

SIGNED

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Mr. Wee Sung Leng  
Chairman of the Meeting