



**COMBINE WILL INTERNATIONAL
HOLDINGS LIMITED**

Condensed Interim Financial Statements
For the six months ended 30 June 2025

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

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COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

		(Unaudited)		
	Notes	Six months ended 30 June		Increase/ (Decrease)
		<u>2025</u>	<u>2024</u>	<u>%</u>
		HK\$'000	HK\$'000	
Revenue	5	875,630	664,515	32
Cost of sales		<u>(787,244)</u>	<u>(589,546)</u>	<u>34</u>
Gross profit		88,386	74,969	18
Other income		14,646	10,593	38
Selling and distribution expenses		(11,160)	(8,513)	31
Administrative expenses		<u>(55,267)</u>	<u>(36,974)</u>	<u>49</u>
Profit from operations		36,605	40,075	(9)
Finance costs	7.1	<u>(15,501)</u>	<u>(14,807)</u>	<u>5</u>
Profit before tax	7	21,104	25,268	(16)
Income tax expense	8	<u>(5,017)</u>	<u>(3,905)</u>	<u>28</u>
Profit for the period, net of tax		<u>16,087</u>	<u>21,363</u>	<u>(25)</u>
Profit for the period attributable to:				
Owners of the Company		<u>16,087</u>	<u>21,363</u>	<u>(25)</u>
Earnings per share	10			
Basic earnings per share (HK cents)		<u>49.76</u>	<u>66.08</u>	<u>(25)</u>

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	(Unaudited)		
	Six months ended 30 June		Increase/
	2025	2024	(Decrease)
	HK\$'000	HK\$'000	%
Profit for the period, net of tax	<u>16,087</u>	<u>21,363</u>	<u>(25)</u>
Other comprehensive income/(expense):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations	<u>11,462</u>	<u>(14,185)</u>	<u>(181)</u>
Other comprehensive income/(expense) for the period, net of tax	<u>11,462</u>	<u>(14,185)</u>	<u>(181)</u>
Total comprehensive income for the period	<u>27,549</u>	<u>7,178</u>	<u>284</u>
Total comprehensive income for the period attributable to:			
Owners of the Company	<u>27,549</u>	<u>7,178</u>	<u>284</u>

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED STATEMENTS OF FINANCIAL POSITION
AT 30 JUNE 2025

		Group		Company	
	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	13	520,337	440,142	-	-
Right-of-use assets		40,354	51,063	-	-
Deposit paid	14	80,347	116,538	-	-
Financial assets at fair value through other comprehensive income ("FVTOCI")		73	73	-	-
Investments in subsidiaries		-	-	474,000	474,000
Goodwill		1,927	1,927	-	-
Total non-current assets		643,038	609,743	474,000	474,000
Current assets					
Contract assets	15	441,622	409,958	-	-
Inventories		124,243	135,768	-	-
Trade and bills receivables	16	176,895	105,859	-	-
Prepayments, deposits and other receivables		170,857	148,133	-	-
Financial assets at fair value through profit or loss ("FVTPL")	12	103,525	99,459	-	-
Bank and cash balances		99,741	102,603	1,353	1,343
Total current assets		1,116,883	1,001,780	1,353	1,343
Total assets		1,759,921	1,611,523	475,353	475,343
LIABILITIES AND EQUITY					
Non-current liabilities					
Lease liabilities		14,945	19,497	-	-
Total non-current liabilities		14,945	19,497	-	-
Current liabilities					
Current tax liabilities		11,634	12,894	-	-
Deferred consideration payable		9,457	8,908	-	-
Trade payables		201,513	233,265	-	-
Amounts due to subsidiaries		-	-	38,386	35,865
Accruals and other payables		167,696	145,391	-	-
Lease liabilities		15,676	22,761	-	-
Dividends payables		7,425	-	7,425	-
Borrowings	17	564,080	418,935	-	-
Financial guarantees		-	-	28,282	28,282
Total current liabilities		977,481	842,154	74,093	64,147
Total liabilities		992,426	861,651	74,093	64,147
Equity attributable to owners of the Company					
Share capital	18	242,456	242,456	242,456	242,456
Reserves		521,615	503,992	158,804	168,740
		764,071	746,448	401,260	411,196
Non-controlling interests		3,424	3,424	-	-
Total equity		767,495	749,872	401,260	411,196
Total liabilities and equity		1,759,921	1,611,523	475,353	475,343

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital	Share premium	Statutory reserve (Note)	Capital redemption reserve	Financial assets at FVTOCI reserve	Foreign currency translation reserve	Retained earnings	Subtotal		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 January 2025 (audited)	242,456	26,488	2,033	1,665	(1,927)	(84,692)	560,425	746,448	3,424	749,872
Total comprehensive income for the year	-	-	-	-	-	11,462	16,087	27,549	-	27,549
Dividend paid (note 9)	-	-	-	-	-	-	(9,926)	(9,926)	-	(9,926)
Changes in equity for the period	-	-	-	-	-	11,462	6,161	17,623	-	17,623
At 30 June 2025 (unaudited)	242,456	26,488	2,033	1,665	(1,927)	(73,230)	566,586	764,071	3,424	767,495
At 1 January 2024 (audited)	242,456	26,488	2,033	1,665	(1,811)	(52,250)	524,104	742,685	3,478	746,163
Total comprehensive (expense)/income for the period	-	-	-	-	-	(14,185)	21,363	7,178	-	7,178
Acquisition of shares of a subsidiary from non-controlling shareholder	-	-	-	-	-	-	-	-	(54)	(54)
Dividend paid (Note 9)	-	-	-	-	-	-	(9,413)	(9,413)	-	(9,413)
Changes in equity for the period	-	-	-	-	-	(14,185)	11,950	(2,235)	(54)	(2,289)
At 30 June 2024 (unaudited)	242,456	26,488	2,033	1,665	(1,811)	(66,435)	536,054	740,450	3,424	743,874

Note:

In accordance with the relevant regulations in the People's Republic of China (the "PRC"), the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after tax, if any, to a statutory reserve until the reserve balance reaches 50% of the registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve which is not available for appropriation may be used to offset the accumulated losses, if any, of the subsidiaries.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025

<u>Company</u>	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Capital redemption reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 January 2025 (audited)	242,456	26,488	130,205	1,665	10,382	411,196
Total comprehensive expense for the period	-	-	-	-	(10)	(10)
Dividend paid (Note 9)	-	-	-	-	(9,926)	(9,926)
Changes in equity for the period	-	-	-	-	(9,936)	(9,936)
At 30 June 2025 (unaudited)	242,456	26,488	130,205	1,665	446	401,260
At 1 January 2024 (audited)	242,456	26,488	130,205	1,665	2,564	403,378
Total comprehensive expense for the period	-	-	-	-	(5)	(5)
Dividend paid (Note 9)	-	-	-	-	(9,413)	(9,413)
Changes in equity for the period	-	-	-	-	(9,418)	(9,418)
At 30 June 2024 (unaudited)	242,456	26,488	130,205	1,665	(6,854)	393,960

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	(Unaudited)	
	Six months ended 30 June	
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	21,104	25,268
Adjustments for:		
Depreciation of property, plant and equipment	43,110	41,860
Depreciation of right-of-use assets	11,783	10,588
(Gain)/loss on disposal of property, plant and equipment	(486)	106
Provision /(reversal) of impairment loss on trade receivables and contract assets	68	(33)
Dividend income	-	(787)
Fair value (gain)/loss on financial assets at FVTPL	(3,882)	(800)
(Gain)/loss on disposal of financial assets at FVTPL	(48)	386
Interest income on bank deposits	(2,621)	(1,718)
Imputed interest income	(239)	(106)
Provision /(reversal) for allowance inventory	215	(602)
Interests on bank loans and borrowings	13,626	12,642
Interest expenses on lease liabilities	1,326	1,634
Interest expenses on deferred consideration payable	549	531
Operating profit before working capital changes	84,505	88,969
Decrease/(increase) in inventories	11,310	(40,838)
Increase in contract assets	(31,681)	(1,243)
Increase in trade and bills receivables	(72,268)	(3,200)
Increase in prepayments, deposits and other receivables	(24,721)	(15,674)
Decrease in financial assets at FVTPL	982	-
(Decrease)/increase in trade payables	(28,939)	12,242
Increase/(decrease) in accruals and other payables	22,305	(3,298)
Cash (used in)/generated from operations	(38,507)	36,958
Interest paid	(13,626)	(12,642)
Income taxes paid	(3,549)	(1,060)
Interest on lease liabilities	(1,326)	(1,634)
Net cash (used in)/generated from operating activities	(57,008)	21,622
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(58,715)	(45,297)
Deposit paid for acquisition of property, plant and equipment	(21,936)	(24,961)
Proceeds from disposals of property, plant and equipment	649	-
Dividend received from financial assets at FVTPL	-	787
Interest received	2,621	1,718
Net cash used in investing activities	(77,381)	(67,753)

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	(Unaudited)	
	Six months ended 30 June	
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase shares from non-controlling shareholder	-	(54)
Inception of new bank loans	32,798	79,000
Repayment of bank loans	(34,215)	(43,000)
Dividends paid to equity holders	(2,501)	(9,413)
Net repayment of trust receipts and import loans	139,795	8,337
Principal elements of lease payments	(12,680)	(12,063)
Proceeds received under a supplier finance arrangement	33,292	(10,202)
Repayments under a supplier finance arrangement	(26,524)	20,684
Net cash generated from financing activities	<u>129,965</u>	<u>33,289</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,424)	(12,842)
Net effect of exchange rate changes on cash and cash equivalents held	1,562	(1,429)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>102,603</u>	<u>126,394</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE	<u>99,741</u>	<u>112,123</u>

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. CORPORATE INFORMATION

Combine Will International Holdings Limited (the “Company”) (Registration No. MC-196613) was incorporated in the Cayman Islands on 8 October 2007 under The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liabilities by shares. The Company’s shares are listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

These condensed interim financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “Group”). The Company is an investment holding company. The principal activities of the Group are manufacturing of toys and premium products by ODM/OEM.

2. BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual consolidated financial statements for the year ended 31 December 2024.

The condensed interim financial statements, which do not include the full disclosures of the type normally included in full annual financial statements prepared in accordance with IFRS Accounting Standards. Are to be read in conjunction with the last audited financial statements for the year ended 31 December 2024.

Accounting policies and methods of computation used in the condensed interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2024, which were prepared in accordance with IFRS Accounting Standards.

The condensed interim financial statements are presented in Hong Kong dollars which is the Company’s functional currency.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

2. BASIS OF PREPARATION (CONT'D)

2.1 New and amended standards adopted by the Group

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2024. The Group has applied the amendment to IAS 21 "Lack of Exchangeability" for the first time from 1 January 2025. The Group did not change its accounting policy or make retrospective as a result of adopting the abovementioned amended standards.

A number of new standards or amendment to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

3. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The following table shows the carrying amounts and fair value of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(a) Disclosures of level in fair value hierarchy:

Group

Description	Fair value measurements as at 30 June 2025:			Total 30 June 2025
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000 (Unaudited)
Recurring fair value measurements:				
Financial assets				
Financial assets at FVTPL				
- Investment products	-	103,525	-	103,525
Financial assets at FVTOCI				
- Unlisted equity securities	-	-	73	73
	<u>-</u>	<u>103,525</u>	<u>73</u>	<u>103,598</u>

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. FAIR VALUE MEASUREMENTS (CONT'D)

(a) Disclosures of level in fair value hierarchy: (cont'd)

Group Description	Fair value measurements as at 31 December 2024:			Total 31 December 2024
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000 (Audited)
Recurring fair value measurements:				
Financial assets				
Financial assets at FVTPL				
- Investment products	-	99,459	-	99,459
Financial assets at FVTOCI				
- Unlisted equity securities	-	-	73	73
	-	99,459	73	99,532

(b) Reconciliation of assets measured at fair value based on level 3:

Description	Financial assets at FVTOCI -unlisted equity securities (Unaudited) Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
At 1 January	73	189
Total losses recognised		
- in other comprehensive income	-	-
At 30 June	73	189

5. SEGMENT INFORMATION AND REVENUE

Other than ODM/OEM, none of the other segments meets any of the quantitative thresholds for determining reportable segments. The management is of the opinion that there is only one significant operating division - manufacturing of toys and premium products - that represents the financial position of the Group. These financial data have been disclosed in the Condensed Statement of Financial Position and the Condensed Statement of Profit or Loss.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

5. SEGMENT INFORMATION AND REVENUE (CONT'D)

Geographical information:

The Group's revenue from external customers by location of operation and information about its non-current assets by location of assets are detailed below:

	Revenue		Non-current assets	
	(Unaudited)		(Unaudited)	(Audited)
	Six months ended 30 June		30 June	31 December
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Asia				
Greater China (including PRC, Hong Kong, Macau and Taiwan)	862,052	660,323	277,013	278,687
Indonesia	-	-	366,025	331,056
	862,052	660,323	643,038	609,743
Europe				
Germany	13,578	4,192	-	-
	13,578	4,192	-	-
Consolidated total	875,630	664,515	643,038	609,743

In presenting the geographical information, revenue is based on the locations of the customers.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

5. SEGMENT INFORMATION AND REVENUE (CONT'D)

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines for the period operations is at follows:

	(Unaudited)	
	<u>Six months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
Sales of toys and premium products ("Toys")	<u>875,630</u>	<u>664,515</u>

Sales of Toys derives revenue either from the transfer of goods at a point in time; or recognised as a performance obligation satisfied over time. The recognition is subject to the terms of sales contract in consideration of the local jurisdiction. All contracts are less than 12 months.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade and bill receivables (Note 16)	176,895	105,859
Contract assets (Note 15)	441,622	409,958
Contract liabilities	<u>3,885</u>	<u>5,975</u>

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on sales of Toys. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised over time.

The amount of HK\$3,885,000 (2024: HK\$5,975,000) recognised in contract liabilities at the beginning of the period has been recognised as revenue for the six months ended 30 June 2025.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	<u>Group</u>		<u>Company</u>	
	<u>30 June</u>	<u>31 December</u>	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Financial assets:				
Financial assets measured at amortised cost	766,722	675,644	1,353	1,343
Financial assets measured at FVTPL	103,525	99,459	-	-
Financial assets measured at FVTOCI	73	73	-	-
Financial liabilities:				
Financial liabilities at amortised cost	954,314	828,109	74,093	64,147

7. PROFIT BEFORE TAXATION

7.1 Significant items

	<u>(Unaudited)</u>	
	<u>Six months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
Other Income:		
Interest income on bank deposits	(2,621)	(1,718)
Imputed interest income	(239)	(106)
Dividend income	-	(787)
Fair value gain on financial assets at FVTPL	(3,882)	(800)
(Gain)/loss on disposal of financial assets at FVTPL	(48)	386
Provision/(reversal) of allowance for inventory	215	(602)
Expenses:		
Depreciation of property, plant and equipment	43,110	41,860
Depreciation of right-of-use assets	11,783	10,588
(Gain)/loss on disposal of property, plant and equipment	(486)	106
Provision /(reversal) of impairment loss on trade receivables and contract assets	68	(33)
Foreign exchange loss, net	1,155	2,711
Finance costs:		
Interest on bank loans and borrowings	13,626	12,642
Interest expenses on lease liabilities	1,326	1,634
Interest expenses on deferred consideration payable	549	531
	<u>15,501</u>	<u>14,807</u>

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

7. PROFIT BEFORE TAXATION (CONT'D)

7.2 Related party transactions

Except for the management fee amounted to HK\$3,300,000 paid to a shareholder of subsidiary, Mayuanda Investment (HK) Co., Limited, there are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

8. INCOME TAX EXPENSE

The Group calculates the period income tax expense using the rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	(Unaudited)	
	Six months ended 30 June	
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
Current tax expenses		
- The PRC	2,294	1,523
- Indonesia	2,419	2,185
Under-provision in prior years		
- The PRC	304	197
	<u>5,017</u>	<u>3,905</u>
Income tax expense	<u>5,017</u>	<u>3,905</u>

9. DIVIDENDS

	(Unaudited)	
	Six months ended 30 June	
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
2024 Final of SGD0.05 (2023: SGD0.05) per ordinary share paid	<u>9,926</u>	<u>9,413</u>

No interim dividends were paid by the Company in respect of the six months ended 30 June 2025 and 2024.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the six months ended 30 June 2025 attributable to owners of the Company of approximately HK\$16,087,000 (unaudited) (2024: HK\$21,363,000 (unaudited)) by the weighted average number of ordinary shares of 32,327,400 (2024: 32,327,400) in issue during the period.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2025 and 2024.

11. NET ASSET VALUE

	Group		Company	
	<u>30 June</u>	<u>31 December</u>	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Net asset value per ordinary share	<u>23.64</u>	<u>23.09</u>	<u>12.41</u>	<u>12.72</u>

12. FINANCIAL ASSETS AT FVTPL

	Group	
	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
Financial assets at FVTPL:		
- Investments products	<u>103,525</u>	<u>99,459</u>

All financial assets at FVTPL are denominated in USD.

The investment products are listed financial instruments placed in the financial institutions in Hong Kong. The fair values of the investment products are derived from current redemption values quoted by financial institutions.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$114,125,000 (2024: HK\$45,297,000), which included HK\$58,126,000 were transferred from the deposit paid balance as of 31 December 2024.

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14. DEPOSIT PAID

At 30 June 2025, the Group has prepaid HK\$80,347,000 to acquire leasehold lands in Indonesia for expansion (31 December 2024: HK\$116,538,000).

15. CONTRACT ASSETS

	Group	
	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Audited)</u>
Receivables from contracts with customers	441,659	409,978
Less: Allowance for impairment	(37)	(20)
	<u>441,622</u>	<u>409,958</u>

16. TRADE AND BILLS RECEIVABLES

The aging analysis of trade and bills receivables based on the invoice date, and net of allowance, is as follows:

	Group	
	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Audited)</u>
0 to 30 days	140,791	87,894
31 to 60 days	34,116	9,921
61 to 90 days	1,926	6,034
91 to 180 days	103	2,096
181 to 365 days	36	-
Over 365 days	2,273	2,213
	<u>179,245</u>	<u>108,158</u>
Less: Allowance for doubtful debts	(2,350)	(2,299)
	<u>176,895</u>	<u>105,859</u>

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17. BORROWINGS

	Group	
	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Audited)</u>
Supplier finance arrangement, secured	34,089	27,321
Trust receipts and import loans, secured	421,572	271,777
Term loans, secured	108,419	119,837
	564,080	418,935
	Group	
	<u>30 June</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Audited)</u>
Amount repayable in one year or less, or on demand (secured)	564,080	418,935
Amount repayable after one year (secured)	-	-
	564,080	418,935

As at 30 June 2025, the Group's banking facilities for supplier finance arrangement, trust receipts and import loans, and term loans are secured by cross corporate guarantees executed by the group companies.

Of the Group's total borrowings of HK\$564,080,000, term loans amounting to HK\$108,419,000 (31 December 2024: HK\$119,837,000) are contractually scheduled for final repayment in 2029 but are subject to a repayment-on-demand clause under the loan agreements. In accordance with IAS 1, these loans are classified as current liabilities. Notwithstanding this classification, the Company expect, barring unforeseen circumstances, that the loans will be repaid in accordance with the agreed repayment schedule through to maturity in 2029.

Supplier finance arrangement

The Group has entered into certain reverse factoring arrangements with a bank, under which the Group obtains extended credit in respect of invoice amounts owed to certain suppliers.

Under these arrangements, the bank pays suppliers the amounts owed by the Group after submission of application form and invoice to the bank. The Group then repays the bank between 90 to 180 days after the bank's payment to the suppliers, without interest as the interest is borne by the suppliers.

As at 30 June 2025, the carrying amount of financial liabilities under these arrangements amounted to HK\$34,089,000 (31 December 2024: HK\$27,321,000) of which suppliers have received payments from the bank.

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17. BORROWINGS

Trust receipts and import loans

The Group has entered into certain factoring arrangements with banks, under which the Group obtains financing in respect of invoice amounts owed to certain suppliers.

Under these arrangements, the banks provide finance to the Group for the settlement of PRC suppliers' VAT invoices or the banks pay Hong Kong suppliers directly the amounts owed by the Group. The Group then repays the banks within 90 days after provision of the financing from the banks, including interest expenses.

18. SHARE CAPITAL

	Group and Company	
	Number of shares	Amount HK\$
Authorised:		
Ordinary shares of HK\$7.50 (31 December 2024: HK\$7.50) each		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	<u>100,000,000</u>	<u>750,000,000</u>
Issued and fully paid:		
Ordinary shares of HK\$7.50 (31 December 2024: HK\$7.50) each		
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	<u>32,327,400</u>	<u>242,455,500</u>

As at 30 June 2025 and 31 December 2024, there were no outstanding share options / warrants / convertible securities / treasury shares.

During the six months ended 30 June 2025, the Company did not allot nor issue any shares, nor grant any share options under the Employee Share Option Scheme.

During the six months ended 30 June 2025, the Company did not buy back any share of the Company by the way of market acquisition and cancelled.

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- 1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the six months ended 30 June 2025, the Company did not allot nor issue any shares, nor grant any share options under the Employee Share Option Scheme.

During the six months ended 30 June 2025, the Company did not buy back any shares of the Company by the way of market acquisition or cancelled any shares.

As at 30 June 2025, there were no outstanding share options / warrants / convertible securities / treasury shares.

- 1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

<i>Date</i>	<i>Number of shares of HKD7.50 each</i>
<i>30 June 2025</i>	<i>32,327,400</i>
<i>31 December 2024</i>	<i>32,327,400</i>

- 1(iii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

During the six months ended 30 June 2025, the Company did not buy back any shares of the Company by the way of market acquisition or cancelled any shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
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- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation for the current reporting period as those used in the audited financial statements for the year ended 31 December 2024.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted all the new and revised IFRS Accounting Standards that are relevant to its operations and effective for the accounting period beginning on 1 January 2025. The adoption of these new and revised IFRS Accounting Standards did not result in substantial changes to the Group's accounting policies and amounts reported for the current period.

- 6. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Profit and Loss

Revenue

The Group's overall revenue increased by HK\$211.1 million or 31.8%, from HK\$664.5 million in HY 2024 to HK\$875.6 million in HY 2025. The increase was mainly attributed to our key customers' increasing demand for diverse range and high quality toy products.

Gross profit and gross profit margin

With the increased sales in HY 2025, the Group's gross profit increased by 17.9% or HK\$13.4 million, generating a gross profit margin of 10.1% (HY 2024: 11.3%). The gross margin percentage decreased by 1.2%, mainly because of the Group's increased use of more costly eco-friendly raw materials, in response to customer's request for sustainable products.

Other Income

The Group's other income increased by HK\$4.0 million or 37.7%, from HK\$10.6 million in HY 2024 to HK\$14.6 million in HY 2025. This was primarily attributed to the interest and fair value change generated from financial investment, which was recognized as FVTPL.

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED
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6. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (cont'd)**

Selling and distribution expenses

The Group's selling and distribution expenses increased by HK\$2.7 million or 31.8%, from HK\$8.5 million in HY 2024 to HK\$11.2 million in HY 2025. The increase was largely in line with the growth in revenue, which in turn led to a rise in related freight costs and export handling fees.

Administrative expenses

The Group's administrative expenses increased by HK\$18.3 million or 49.5%, from HK\$37.0 million in HY 2024 to HK\$55.3 million in HY 2025. The increase is mainly due to the expansion of production scale in Indonesia, which has led to rises in related management personnel salaries, operating expenses of new subsidiaries, travel expenses as well as ongoing investments in operational enhancement initiatives and the initial costs associated with the expansion of new production programs.

Finance Costs

Finance costs increased by HK\$0.7 million or 4.7%, from HK\$14.8 million in HY 2024 to HK\$15.5 million in HY 2025. Although the borrowing scale has increased, the interest on borrowings has not risen significantly, largely due to the decline in Hibor and the preferential terms negotiated with banks.

Income Tax Expenses

Income tax expenses increased HK\$1.1 million or 28.2%, from tax expenses of HK\$3.9 million in HY 2024 to HK\$5.0 million in HY 2025. The increase can be attributed primarily to the increased revenue and assessable profit distribution among countries and area.

Balance Sheet

Non-current assets

The Group's non-current assets stood at HK\$643.0 million as at 30 June 2025, increased by 5.5% or HK\$33.3 million, from HK\$609.7 million at 31 December 2024. This was due to:

- an increase of HK\$114.1 million in property, plant and equipment for acquisition;
- an increase of HK\$21.9 in deposit paid for Indonesia new factory construction; and
- an increase in differences on translating foreign operations of HK\$10.3 million;

which were partially offset by:

- a decrease of HK\$58.1 million in deposit paid balance for the transfer to property, plant and equipment; and
- a depreciation for property, plant and equipment and right-of-use assets of HK\$54.9 million.

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6. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (cont'd)

Current assets

The Group's current assets stood at HK\$1,116.9 million as at 30 June 2025, an increase of HK\$115.1 million or 11.5%, from HK\$1,001.8 million as at 31 December 2024, mainly due to:

- an increase in contract assets of HK\$31.7 million;
- an increase in trade and bills receivables of HK\$71.0 million to HK\$176.9 million as at 30 June 2025. Approximately HK\$131 million of these trade receivables have been subsequently settled or replaced as at the date of this announcement;
- an increase in prepayments, deposits and other receivables of HK\$22.7 million; and
- an increase in financial assets at FVTPL of HK\$4.1 million;

which were partially offset by:

- a decrease in inventories of HK\$11.5 million; and
- a decrease in bank and cash balances of HK\$2.9 million.

Current liabilities

The Group's current liabilities stood at HK\$977.5 million at 30 June 2025, increased by HK\$135.3 million or 16.1%, from HK\$842.2 million at 31 December 2024, mainly due to:

- an increase in short-term borrowings of HK\$145.2 million to finance working capital requirements;
- an increase in accruals and other payables of HK\$22.3 million;
- an increase in dividends payable of HK\$7.4 million; and
- an increase in deferred consideration payable of HK\$0.6 million;

which were partially offset by:

- a decrease in trade payables of HK\$31.8 million;
- a decrease in lease liabilities payables of HK\$7.1 million; and
- a decrease in current tax liabilities of HK\$1.3 million

Non-current liabilities

The Group's non-current liabilities stood at HK\$14.9 million as at 30 June 2025, a decrease of HK\$4.6 million or 23.6%, from HK\$19.5 million as at 31 December 2024 mainly due to decreases in finance lease payables of HK\$4.6 million.

Cash Flow Analysis

The Group's cash resources of HK\$99.7 million as at 30 June 2025 are considered adequate for current operational needs. The net decrease in cash and cash equivalents of HK\$4.4 million held by the Group comprised:

- Net cash used in operating activities of HK\$73.3 million to finance working capital needs;
- Net cash used in investing activities of HK\$61.1 million mainly due to additions of property, plant and equipment and deposit paid for leasehold lands in Indonesia; and
- Net cash generated from financing activities of HK\$130.0 million, mainly due to the increasing loans.

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- 7. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable

- 8. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Looking ahead, we are well positioned to capture growth opportunities in the evolving toy and premium goods market. Our strategic execution is supported by disciplined capital management and diversification of customers and capabilities, and provides a strong foundation to navigate macroeconomic uncertainties and deliver sustainable long-term value to our stakeholders.

As we progressed through 2H 2025, the global operating environment remains challenging, shaped by elevated interest rates, persistent inflationary pressures, and evolving trade dynamics, including ongoing tariff realignments. These factors are reshaping global supply chains and prompting manufacturers in the toy and premium goods industries to reassess and optimize their production footprints to balance cost efficiency and enhanced market access. While such conditions pose near-term headwinds, they also present meaningful opportunities for agile, forward-looking companies to reposition strategically for the longer term.

In this context, the Group has taken decisive steps to reinforce our long-term competitive positioning. Our strategic diversification into Indonesia enables us to benefit from favorable tariff structures and a cost-efficient manufacturing base while bolstering supply chain resilience. This expansion is complemented by our intensified focus on green manufacturing practices, with eco-friendly materials now contributing 71% of 1H 2025 revenue, reflecting both strong customer alignment and our industry leadership in sustainability.

To support growth, we are investing significantly in quality management systems, IT infrastructure, and automation to drive operational excellence and production stability. The commencement of Plush Phase 2 in Indonesia in 1H 2025 has substantially increased capacity, with annual plush output expected to double year-on-year. The construction of our die-casting facility remains on track for launch in Q4 2025.

Our workforce has grown to approximately 20,000 employees across Indonesia, Mainland China, Hong Kong and Singapore, enabling us to scale our production needs while deepening our technical and management depth. At the same time, we have secured new strategic customers, formalizing partnerships that will broaden our revenue base and improve earnings visibility.

These strategic initiatives are underpinned by our broader commitment to sustainability and operational efficiency, including the adoption of solar energy and bio-based materials across our facilities. Our ESG leadership has been further validated through accolades such as the "2025 ESG Exemplary Enterprise Award" and "2025 ESG Outstanding Listed Company Award" awarded at the 4th International Green Zero Carbon Festival, reinforcing our reputation as a trusted, forward-looking partner to global brands.

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- 8. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (cont'd)**

In the next 12 months, our priorities include enhancing supply chain resilience and expanding our production capacity, particularly by leveraging on the diversification of our manufacturing base in Indonesia to meet demand with greater efficiency while mitigating risks associated with geopolitical tensions and economic fluctuations.

With continued innovation, operational discipline, and an unwavering commitment to sustainability, the Group remains confident in our ability to drive resilient growth and create long-term value in an increasingly dynamic global landscape.

- 9. Dividend**

- (a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

- (b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

- (c) Date payable**

N/A

- (d) Books closure date**

N/A

- (e) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommended for the current period reported on.

The Board has not recommended any dividend to be declared in light of the following:

- (i) the Company has recently declared a final dividend for the financial year ended 31 December 2024; and
- (ii) whilst the Board will not entirely rule out the declaration of interim dividends during a financial year, the Board is of the view that in the normal course, it would be prudent to consider whether to declare dividends only after the Company has full visibility of its performance for the preceding financial year and the Group's cash requirements for the ensuring year.

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- 10. If the group has obtained a general mandate from shareholders of IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained for the current period reported on.

- 11. Additional Information on Use of IPO Proceeds and Any Proceeds Arising from Any Offerings Pursuant to Chapter 8 (Pursuant to Rule 704(30))**

The Company has not raised any funding from any offerings pursuant to Chapter 8 since the Company's IPO. The IPO proceeds had been fully utilized as previously announced.

- 12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company for the financial period ended 30 June 2025.

- 13. Undertakings from Directors and Executive Officers under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1).

- 14. Negative Assurance Confirmation Pursuant To Rule 705(5) of the Listing Manual**

We, Tam Jo Tak, Dominic and Chiu Hau Shun, Simon, being two Directors of Combine Will International Holdings Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the six months period ended 30 June 2025 to be false or misleading in any material respect.

On behalf of the Board of Directors,

Tam Jo Tak, Dominic
Executive Chairman

Chiu Hau Shun, Simon
Chief Executive Director

BY ORDER OF THE BOARD

Chiu Hau Shun, Simon
CEO & Executive Director

12 August 2025