



Combine Will International Holdings Limited

(Incorporated in the Cayman Islands on 8 October 2007)
(Co. Reg. No.: MC-196613)

NEWS RELEASE

COMBINE WILL DELIVERS NET PROFIT OF HK\$30.9 MILLION IN FY2020

- Improved Gross Profit Margin of 10.6% in 2H FY2020
- Sragen, Indonesia and Guangxi, PRC Manufacturing Facilities Productivity and Efficiency Expected to Continue to see Improvements in FY2021
- Poised to Continue Delivery of Value-Added Returns

FINANCIAL HIGHLIGHTS

HK\$'000	FY2020	FY2019	%Change	2H FY2020	2H FY2019	%Change
				6 mths ended 31 Dec 2020	6 mths ended 31 Dec 2019	
Revenue	957,082	1,765,226	(45.78)	465,196	786,357	(40.84)
Gross Profit	79,293	149,017	(46.79)	49,484	73,425	(32.61)
Gross Margin (%)	8.3	8.4	(1.19)	10.6	9.3	13.92
Profit from Operations	52,762	85,527	(38.31)	33,652	47,886	(29.72)
Profit Before Tax	33,468	62,913	(46.80)	25,327	35,166	(27.98)
Profit After Tax	30,919	56,429	(45.21)	23,291	32,291	(27.87)
Basic EPS (cents)	95.64	174.55	(45.21)	72.05	99.89	(27.87)

Singapore, 28 Feb 2021 – Singapore Exchange Main Board-listed **Combine Will International Limited** (“**Combine Will**” or “the **Group**”), a leading Original Design Manufacturer (“**ODM**”)/Original Equipment Manufacturer (“**OEM**”) of corporate premiums, toys and consumer products in the People’s Republic of China (“**PRC**”), Hong Kong and Indonesia reported a group net profit of HK\$30.9 million on a revenue of HK\$957.1 million for the financial year ended December 31, 2020 (“**FY2020**”).



Although Group turnover for the year under review declined 45.8% due to the impact of the Covid19 pandemic, from HK\$1.77 billion in FY2019, annual gross profit margin is relatively unchanged at 8.3%. Furthermore, the group's gross profit margin for the second half year ended 31 December 2020 ("**2H FY2020**") improved 13.9% to 10.6%, from 9.3% in the corresponding second half year in 2019 ("**2H FY2019**").

"This set of results reflect Combine Will's strong resilience arising from the Group's restructuring and continuing investments in productivity enhancements in the past few years as well as favourable municipal government grants awarded in view of the Group's strategic decision to relocate its main manufacturing operations to Cangwu County, Guangxi Province in China.

As we continue implementing our strategic plans for more productivity enhancements, including ERP applications and data-analysis, technology applications and further automation plus strengthened relationships with core customers, the Group is poised to continue delivering value-added returns to shareholders and stakeholders," said Mr. Simon Chiu, Executive Director of Combine Will.

1H FY2020 accounted for 51.4% (HK\$491.9 million) while 2H FY2020 contributed 48.6% (HK\$465.2 million) to FY2020 sales. But, with improving margins, 2H FY2020 accounted for 75.3% (HK\$23.3 million) of FY2020's operating profit after tax.

Combine Will's key manufacturing facilities in Sragen, Indonesia and Guangxi, PRC, which began operating in FY2017 and FY2018 respectively, are expected to further improve productivity and efficiency in FY2021. In addition, the set-up for the Group's new capability in making paper products was completed at the end of FY2020 and mass operation has begun.

Going forward, barring unforeseen circumstances, the Group expects to continue to deliver value-added returns to shareholders and stakeholders.



About Combine Will International Holdings Limited (www.combinewill.com)

Combine Will International Holdings Limited (“Combine Will”) is a leading Original Design Manufacturers (“ODM”) and Original Equipment Manufacturers (“OEM”) supplier of corporate premiums, toys and consumer products in the People’s Republic of China (“PRC”), Hong Kong and Indonesia.

Established in 1992 and listed on the Main Board of the Singapore Exchange Securities Trading Limited in 2008, the Group has since grown and expanded its capabilities to become a vertically integrated supplier of a wide variety of plastic and die-cast products. With our in-house research and development (“R&D”) team, expertise in manufacturing, the Group is well-positioned to meet the unique needs of our customers by offering highly customized, comprehensive business solutions including idea generation, product design and manufacturing.

Our customers are from Asia, Europe and North America, including many well-known multinational companies covering a broad spectrum of industries from toys and consumer products to international fast-food chains.

Based in Dongguan, Guangdong Province, the PRC, the Group has a total staff strength of more than 10,000, operating in six manufacturing facilities in Guangdong Province and Guangxi Province as well as Sragen, Indonesia.

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