

Combine Will International Holdings Limited

(Incorporated in Cayman Islands)

(Co. Reg. No: MC-196613)

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2008**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	The Group							
	3 months ended 31 December				12 months ended 31 December			
	2008	2007	Change	%	2008	2007	Change	%
	HK\$'000	HK\$'000	HK\$'000		HK\$'000	HK\$'000	HK\$'000	
Revenue	358,863	347,034	11,829	3.4	1,344,708	1,214,735	129,973	10.7
Cost of sales	(319,955)	(301,567)	18,388	6.1	(1,129,000)	(1,007,097)	121,903	12.1
Gross Profit	38,908	45,467	(6,559)	(14.4)	215,708	207,638	8,070	3.9
Other income	6,636	9,371	(2,735)	(29.2)	23,256	26,178	(2,922)	(11.2)
Selling and distribution expenses	(7,569)	(9,250)	(1,681)	(18.2)	(30,218)	(34,290)	(4,072)	(11.9)
Administrative expenses	(26,906)	(25,505)	1,401	5.5	(111,475)	(96,045)	15,430	16.1
Profit From Operations	11,069	20,083	(9,014)	(44.9)	97,271	103,481	(6,210)	(6.0)
Finance costs	(670)	(3,168)	(2,498)	(78.9)	(12,929)	(10,471)	2,458	23.5
Gain on disposal of subsidiaries	-	8,069	(8,069)	(100.0)	-	8,069	(8,069)	(100.0)
Gain on acquisition of minority interests	-	17,779	(17,779)	(100.0)	-	17,779	(17,779)	(100.0)
Profit Before Tax	10,399	42,763	(32,364)	(75.7)	84,342	118,858	(34,516)	(29.0)
Income tax credit/(expenses)	1,475	(2,626)	(4,101)	(156.2)	(10,798)	(13,973)	(3,175)	(22.7)
Profit for the period/year*	11,874	40,137	(28,263)	(70.4)	73,544	104,885	(31,341)	(29.9)
Attributable to:								
Equity holders of the Company	13,368	39,769	(26,401)	(66.4)	72,858	99,215	(26,357)	(26.6)
Minority interests	(1,494)	368	(1,862)	(506.0)	686	5,670	(4,984)	(87.9)

* Operating profit after tax before deducting minority interests reported for second half year of FY2007 included gain on disposal of subsidiaries and gain on acquisition of minority interests of HK\$8,069,000 and HK\$17,779,000 respectively, which is resulting from IPO exercise. Without this exceptional gain, the profit after tax for FY2007 should be HK\$79 million and the decrease in profit for FY2008 should be approximately HK\$5.5 million i.e. decrease by 6.9% when compared with FY2007.

Note:

The Group's profit before tax is arrived at after charging / (crediting):

	3 months ended 31 December		12 months ended 31 December	
	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Depreciation	11,661	10,852	45,430	42,612
Amortization of prepaid land lease payments	75	74	303	303
(Gain)/Loss on disposals of property, plant and equipment	(36)	(244)	4	(505)
Allowance of doubtful debts	64	1,973	170	1,892
Impairment loss on available-for-sales financial assets	3,779	-	3,779	-
Interest income	194	(180)	(399)	(758)
Interest on bank loans and overdrafts	670	3,163	12,917	10,449
Finance lease charges	-	5	12	22
Exchange difference, net	1,941	(2,393)	11,943	962

1(b)(i) A balance sheet (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	At 31.12.2008	At 31.12.2007	At 31.12.2008	At 31.12.2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets				
Prepaid land lease payments and land use rights	12,228	12,992	-	-
Property, plant and equipment	224,338	203,539	-	-
Investments In Subsidiaries	-	-	310,205	-
Goodwill	2,417	2,417	-	-
Available-for-sale financial assets	-	3,779	-	-
	238,983	222,727	310,205	-
Current assets				
Inventories	266,376	268,976	-	-
Trade and bills receivables	129,210	189,532	-	-
Prepayments, deposits and other receivables	81,659	80,344	-	-
Current tax assets	4,319	5,204	-	-
Due from Subsidiaries	-	-	92,830	-
Bank and cash balances	105,769	73,717	1,321	-
	587,333	617,773	94,151	-
Total assets	826,316	840,500	404,356	-
Current liabilities				
Trade and bills payables	105,406	149,698	-	-
Accruals and other payables	104,244	180,209	1,663	-
Dividend payable	-	-	-	-

Short-term borrowings	162,319	197,777	-	-
Current portion of long-term borrowings	-	11,482	-	-
Finance lease payables	106	102	-	-
Current tax liabilities	19,142	13,814	-	-
	391,217	553,082	1,663	-
Non-current liabilities				
Finance lease payables	58	167	-	-
Deferred tax liabilities	3,140	3,050	-	-
	3,198	3,217	-	-
Total liabilities	394,415	556,299	1,663	-
	431,901	284,201	402,693	-
Equity attributable to shareholders of the Company				
Share capital	246,000	1	246,000	-
Reserves	176,474	273,913	156,693	-
	422,474	273,914	402,693	-
Minority interests	9,427	10,287	-	-
Total equity	431,901	284,201	402,693	-

During the period, the Group undertook a restructuring exercise ("Restructuring Exercise") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Following the implementation of Restructuring Exercise, the Company became the holding company of the Group on 17 April 2008 and a pooling-of-interests method of consolidation is adopted. The identifiable assets and liabilities were accounted for at their historical cost and the shares issued were recorded at par value, in a manner similar to the pooling-of-interests method of consolidation.

Under the pooling-of-interests method, the combined assets, liabilities and reserves of the pooled enterprises are recorded at their existing carrying amounts at the date of amalgamation.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2008	As at 31 December 2007
Secured	Secured
HK\$'000	HK\$'000
162,425	209,361

Amount repayable after one year

As at 31 December 2008	As at 31 December 2007
Secured	Secured
HK\$'000	HK\$'000
58	167

Details of collaterals

The Group's banking facilities are secured by;

- i) cross corporate guarantees executed by some of the subsidiaries of the Company;
- ii) certain of the Group's properties and prepaid land lease payments;
- iii) assignment over receivables of a certain subsidiary of the Company; and
- iv) charge of deposit of two subsidiaries of the Company.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	3 months ended 31 December		12 months ended 31 December	
	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cash flows from operating activities				
Profit before tax	10,399	42,763	84,342	118,858
Adjustments for :				
Depreciation and amortization	11,736	10,926	45,733	42,915
(Gain)/Loss on disposals of property, plant and equipment	(36)	(244)	4	(505)
Gain on disposal of subsidiaries	-	(8,069)	-	(8,069)
Gain on acquisition of minority interests	-	(17,779)	-	(17,779)
Impairment loss on available-for-sale financial assets	3,779	-	3,779	-
Interest income	194	(180)	(399)	(758)
Finance costs	670	3,168	12,929	10,471
Operating profit before working capital changes	26,742	30,585	146,388	145,133
Decrease/(Increase) in inventories	80,385	(16,572)	2,600	(83,889)
Decrease/(Increase) in trade and bills receivables	64,920	3,847	60,322	(35,568)
Increase in prepayments, deposits and other receivables	(14,067)	(22,136)	(10,908)	(36,211)
(Decrease)/Increase in trade and bills payables	(41,927)	13,871	(44,292)	24,984
(Decrease)/Increase in accruals and other payables	(37,371)	(1,413)	(42,473)	14,338
Cash generated from operations	78,682	8,182	111,637	28,787
Income tax paid	(2,469)	(2,805)	(4,495)	(10,003)
Interest paid	(670)	(3,163)	(12,917)	(10,449)
Net cash generated from operating activities	75,543	2,214	94,225	8,335
Cash flows from investing activities				
Purchase of property, plant and equipment	(12,174)	(9,293)	(65,425)	(29,522)
Proceeds from disposal of property, plant and equipment	142	1,534	174	1,795
Disposal of subsidiaries	-	(206)	-	(206)
Interest received	(194)	180	399	758
Net cash used in investing activities	(12,226)	(7,785)	(64,852)	(27,175)
Cash flows from financing activities				
Inception of new short-term bank loans	-	-	-	3,000
Repayment of short-term bank loans	-	-	-	(3,000)
Repayment of long-term borrowings	(969)	(3,812)	(11,482)	(15,250)
Net (repayment)/advance of trust receipt and import loans	(31,898)	43,219	(30,935)	80,519

Repayment to equity holders of ultimate parent	-	-	-	(26,382)
Repayment from an associate	-	2,209	-	2,209
Net proceeds from issuance of new shares	-	-	103,589	-
Interest on finance lease payables	-	(5)	(12)	(22)
Net repayment of finance lease payables	(30)	(79)	(105)	(195)
Dividends paid to equity holders	(12,996)	(1,319)	(17,801)	-
Dividends paid to equity holders of ultimate parent	-	-	(35,000)	(7,968)
Dividends paid to minorities	756	(659)	(1,546)	(880)
Net cash (used in)/generated from financing activities	(45,137)	39,554	6,708	32,031
Net increase in cash and cash equivalents	18,180	33,983	36,081	13,191
Cash and cash equivalents at beginning of the period/year	85,924	28,131	69,194	48,339
Net effect of exchange rate changes in consolidating subsidiaries	1,665	7,080	494	7,664
Cash and cash equivalents at end of the period/year	105,769	69,194	105,769	69,194

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group	Attributable to the shareholders of the Company								
	Share capital	Share premium	Merger reserve	Statutory reserve (note 1)	Translation reserve	Retained earnings	Subtotal	Minority interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2008	1	-	-	2,057	18,205	253,651	273,914	10,287	284,201
Share issue expenses	-	(22,512)	-	-	-	-	(22,512)	-	(22,512)
Currency translation differences	-	-	-	-	1,015	-	1,015	-	1,015
Profit for the Year	-	-	-	-	-	72,858	72,858	686	73,544
Issuance of new shares pursuant to the Restructuring Exercise	180,000	-	-	-	-	-	180,000	-	180,000
Adjustment arising from Restructuring Exercise	(1)	-	(179,999)	-	-	-	(180,000)	-	(180,000)
Transfer to merger reserve	-	-	179,999	-	-	(179,999)	-	-	-
Issuance of new shares pursuant to public offer and placement	66,000	49,000	-	-	-	-	115,000	-	115,000
Dividend to equity holders	-	-	-	-	-	(17,801)	(17,801)	-	(17,801)
Dividends to minorities	-	-	-	-	-	-	-	(1,546)	(1,546)
At 31 December 2008	246,000	26,488	-	2,057	19,220	128,709	422,474	9,427	431,901

At 1 January 2007	1	-	-	1,825	7,790	193,704	203,320	34,011	237,331
Currency translation differences	-	-	-	-	10,415	-	10,415	330	10,745
Profit for the Year	-	-	-	-	-	99,215	99,215	5,670	104,885
Capital injection from minorities in a subsidiary	-	-	-	-	-	-	-	1	1
Disposal of partial equity holding in subsidiaries to minorities	-	-	-	-	-	-	-	717	717
Increase in equity holding in subsidiaries	-	-	-	-	-	-	-	(29,562)	(29,562)
Transfer to statutory reserves	-	-	-	232	-	(232)	-	-	-
Dividends declared to equity holders of ultimate parent	-	-	-	-	-	(39,036)	(39,036)	-	(39,036)
Dividends to minorities	-	-	-	-	-	-	-	(880)	(880)
At 31 December 2007	1	-	-	2,057	18,205	253,651	273,914	10,287	284,201

The Company	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Retained earnings HK\$'000	Total HK\$'000
Balance at 1 January 2008	-	-	-	-	-
Share issue expenses	-	(22,512)	-	-	(22,512)
Profit for the year	-	-	-	17,801	17,801
Issuance of new shares pursuant to the Restructuring Exercise	180,000	-	-	-	180,000
Arising from Restructuring Exercise	-	-	130,205	-	130,205
Issuance of new shares pursuant to public offer and placement	66,000	49,000	-	-	115,000
Dividend to equity holders	-	-	-	(17,801)	(17,801)
At 31 December 2008	246,000	26,488	130,205	-	402,693

1(d)(ii) 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.

	Resultant Number of Shares	Resultant Issued Share Capital (HK\$)
Issued and fully paid ordinary shares of HK\$0.01 each as at the date of incorporation and at 31 December 2007	1	0.01
Issued and fully paid 9,999 new ordinary shares of HK\$0.01 each to DJKS Holdings Limited pursuant to the Restructuring Exercise	10,000	100
Issue of 17,999,990,000 new ordinary shares of HK\$0.01 each pursuant to the Share Swap	18,000,000,000	180,000,000
Consolidation of 75 ordinary shares of HK\$0.01 each into 1 ordinary share of HK\$0.75 each pursuant to the Restructuring Exercise	240,000,000	180,000,000
Issue of 88,000,000 new ordinary shares of HK\$0.75 each issued pursuant to the Invitation	328,000,000	246,000,000
Post-Invitation share capital and at 31 December 2008	328,000,000	246,000,000

1(d)(iii) 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.

Please see 1(d)(ii)

1(d)(iv) 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.

Not applicable

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

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 preparing for the audited combined financial statements for the year ended 31 December 2007.

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 International Financial Reporting Standards ("IFRSs") that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2008. The adoption of these new and revised IFRSs did not result in substantial changes to the Group's accounting policies.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	The Group			
	3 months ended 31 December		12 months ended 31 December	
	2008	2007	2008	2007
	HK cents	HK cents	HK cents	HK cents
Earnings per ordinary share for the period based on the net profit for the period				
(a) Based on weighted average number of ordinary shares on issue; and	4.08	16.57	25.46	41.34
(b) On a fully diluted basis	N/A	N/A	N/A	N/A

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company of approximately HK\$13,368,000 (Q4 2007: HK\$39,769,000) by the weighted average number of ordinary shares in issue of 328,000,000 (Q4 2007: 240,000,000) during the Q4 2008.

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company of approximately HK\$72,858,000 (FY2007: HK\$99,215,000) by the weighted average number of ordinary shares in issue of 286,163,934 (FY2007: 240,000,000) during the FY2008.

No diluted earnings per share had been presented as the Group did not have any dilutive potential shares for the Q4 2008, Q4 2007, FY2008 and FY2007 respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	31/12/2008	31/12/2007	31/12/2008	31/12/2007
	HK cents	HK cents	HK cents	HK cents
Net asset value per ordinary share based on issued share capital at the end of the year:	128.80	114.13	122.77	-
Number of ordinary shares in issue	328,000,000	240,000,000	328,000,000	240,000,000

Net asset value per share as at 31 December 2008 was computed based on issued share capital of 328,000,000 (At 31 December 2007: 240,000,000) ordinary shares of HK\$0.75 each as at 31 December 2008.

8. 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.

8.1 Revenue

Compared with Q4 2007, the Group's revenue increased by 3.4% to HK\$358.9 million in Q4 2008. This is the net result of mixed performance by the Group's three business units. The breakdown according to business segments is as follows:

Business Segment	Change HK\$	Change %	Comments
ODM/OEM	-0.3m	-0.1	Slower sales growth due to current economic conditions.
Moulds and Tooling	+28.1m	+31.1	Direct result of the Group's new strategic marketing initiatives to develop the moulds market for toys and automobiles.
Machine Sales	-16.0m	-29.6	The Group had tightened its credit policy under current economic conditions.

Change in revenue by geographical segments for Q4 2008

Region	Change HK\$	Change %	Comments
Asia	+20.5m	+9.1	Mainly from Moulds & Tooling business
Europe	+6.0m	+7.3	Mainly from Moulds & Tooling business
North America	-14.7m	-38.2	Mainly from Moulds & Tooling business

8.2 Gross profit and gross profit margin

In Q4 2008, the Group's gross profit declined by 14.4% to HK\$38.9 million, generating a slightly lower gross profit margin of 10.8%, compared to 13.1% in Q4 2007. The breakdown according to business segments is as follows:

Business Segment	Change HK\$	Change %	Comments
ODM/OEM	-13.2m	-6.5	Arising from different product mix.
Moulds and Tooling	+5.1m	+0.9	A higher proportion of toy moulds delivered.
Machine Sales	+1.5m	+8.3	Focus on quality customers in line with tightened credit policy.

8.3 Other Income

The Group's other income decreased by 29.2% to HK\$6.6 million, mainly due to lower miscellaneous receipts such as sale of scrap materials.

8.4 Selling and distribution expenses

In line with decreased sales for the Machine Sales business segment, there was a corresponding reduction in transportation as well as import/export charges. This in turn led to the decline in selling and distribution expenses in Q4 2008.

8.5 Administrative expenses

The Group's administrative expenses rose by 5.5% to HK\$26.9 million in Q4 2008 mainly as a result of impairment loss of available-for-sale financial assets of approximately HK\$3.8 million, composing investment cost and account receivable, which is related to a strategic investment in Singapore.

8.6 Finance Costs

Finance costs decreased by 78.9% to HK\$0.7 million due to lower utilization of banking facilities in response to recent economic conditions to strengthen the Group's trade cycle management.

Financial position

8.7 Non-current assets

The Group's non-current assets increased by 7.3% to HK\$239.0 million as at 31 December 2008, due mainly to:

- The increase in property, plant and equipment of HK\$65.4 million which was partially offset against the depreciation expense of HK\$45.7 million charged for the year; and
- Impairment loss of available-for-sale financial assets of approximately HK\$3.8 million.

8.8 Current assets

As at 31 December 2008, the Group's current assets decreased by 4.9% to HK\$587.3 million, due mainly to:

- An decrease in inventories of HK\$2.6 million as the Group continue to manage inventory level in line with the economic slowdown;
- A decrease in trade and bills receivables of HK\$60.3 million as the Group tightened on credit control; and
- An increase in bank and cash balances of HK\$32.1 million as the Group continues to exercise better cash management.

8.9 Current liabilities

The Group's current liabilities decreased mainly due to:

- A decrease in current portion of long term borrowings of HK\$11.5 million due to scheduled repayment of long-term borrowings;
- A decrease in accruals and other payables of HK\$75.9 million as a result of a settlement of interim dividend accrued for FY2007 to the equity holders of the ultimate parent which amounted to approximately HK\$35.0 million and a decrease in mould deposit received amounting to approximately HK\$25.1 million;
- A decrease in short-term borrowings amounting to approximately HK\$35.5 million due to the Group's effort to lower banking facilities utilization; and
- A decrease in trade and bills payables amounting to approximately HK\$44.3 million due to the Group's effort to lower banking facilities utilization.

These were partially offset by an increase in current tax payable of HK\$5.3 million, mainly due to increase in sales in the PRC market.

8.10 Cash Flow Statement

The Group's cash resources are adequate for current operational needs. The increase in cash and cash equivalents held by the Group is mainly due to the receipt of gross proceeds of HK\$115.0 million (S\$20.2 million) from the listing of the Company's shares on the Main Board of the SGX-ST on 23 June 2008 and the Group's effort to exercise better credit and cash management.

The net increase in cash inflow from operating activities and financing activities was partially offset by the outflow from investing activities of purchase of property, plant and equipment.

The cash outflow from investing activities mainly arose from acquisition of property, plant and equipment to expand the operation of the ODM/OEM business unit in our Heyuan factory, including the decoration of three blocks of factory premises leased during this period to cope with the increased demands from our customers. In addition, we had also acquired and installed additional plant and machinery in our factories in Dongguan to cope with the increased business demands in both the ODM/OEM business segment and the Moulds and Tooling segment.

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

Not applicable

10. 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.

Outlook

In FY2009, the Group continues to face challenges against a backdrop of softening market demand, slowdown in export sales, and stiff competition.

Notwithstanding, the Directors would like to assure that the Group's financial positions currently are healthy. The Group has adequate cash and bank balances, stable cash flows from operating activities, as well as low gearing. The Group also managed to increase its bank and cash balances and reduce its trade receivables in FY2008, as it strengthened and tightened the cash and credit management.

ODM/OEM

The ODM/OEM business remains to be the mainstay of the Group's business. However, there will invariably be some pressure to export sales in FY2009, which may affect the sales growth in this segment in the short-term. The Group is cautiously optimistic that it will be able to maintain our established position in the ODM/OEM industry through this economic climate.

Moulds and Tooling

The Group intends to focus more on developing moulds for the toys and premiums instead of expanding manufacturing capacity for automobile parts which is more significantly affected by the global economic slowdown. The Group has decided to hold off further capital investments in automobile moulds this year, and will instead, focus on growing this business segment based on current capacity. It will also focus on proactively minimizing credit risks by only working with quality customers.

Machine Sales

Due to the prevailing business climate, the Group expects further market consolidation within the industry, and that demand for advanced machines and precision tools used in the manufacture of moulds, die-cast products and automobile parts in the PRC is likely to be further reduced. In FY2009, in view of lower market demand, the Group will continue to focus on quality business opportunities, optimize its customer base and maintain its profitability.

Business Strategy

Moving ahead, the Group has identified its business risks, in general, to be liquidity related. It will therefore continue to follow the best practices in financial management and corporate governance and increase its efforts in purchase, inventory, and debtor management.

While the Group remains confident of its long term growth plans, the Group envisages that it may face greater challenges this year, with an increased likelihood of a temporary slowdown in sales due to macroeconomic conditions. In view of the difficult operating environment, the management will monitor the trends closely, and continue its effort to increase efficiency, raise productivity and exercise stringent control over operating costs.

While the Directors are cautiously optimistic that, barring unforeseen circumstances, the Group will remain profitable for the financial year ending 31 December 2009 ("FY2009"), the Directors expect that in view of the current global economic condition, the Group's profit for FY2009 would be significantly lower than that which was achieved for FY2008.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	1 cent per ordinary share
Tax Rate	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	1 cent per ordinary share
Tax Rate	Not applicable

(c) Date payable

To be determined

(d) Books closure date

To be determined

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

(a) Business segments

	FY2008		FY2007		Change
	%	HK\$'000	%	HK\$'000	%
Revenue					
ODM/OEM	58	777,612	63	761,889	+2.1
Moulds and Tooling	31	417,663	23	279,294	+49.5
Machine Sales	11	149,433	14	173,552	-13.9
Total	100	1,344,708	100	1,214,735	+10.7
Segment results					
ODM/OEM	79	79,610	79	81,085	-1.8
Moulds and Tooling	21	21,061	16	16,173	+30.2
Machine Sales	2	1,922	7	7,454	-74.2
Elimination	(2)	(2,319)	(2)	(1,945)	-19.2
Total	100	100,274	100	102,767	-2.4

(b) Geographical segments

Revenue of geographical segments of principal markets are analyzed by location of customers

	FY2008		FY2007		Change
	%	HK\$'000	%	HK\$'000	%
Asia	69	930,446	68	824,395	+12.9
North America	7	96,106	13	155,208	-38.1
Europe	24	318,156	19	235,132	+35.3
Total	100	1,344,708	100	1,214,735	+10.7

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Operating profit after tax before deducting minority interests reported for second half year of FY2007 included gain on disposal of subsidiaries and gain on acquisition of minority interests of HK\$8,069,000 and HK\$17,779,000 respectively, which is resulting from IPO exercise. Without this exceptional gain, the profit after tax for FY2007 should be HK\$79 million and the decrease in profit for FY2008 should be approximately HK\$5.5 million i.e. decrease by 6.9% when compared with FY2007.

Comparing with FY2007, administrative expenses for FY2008 increased by 16.1% to HK\$111.5 million due mainly to impairment loss of available-for-sale financial assets of approximately HK\$3.8 million and exchange loss of HK\$12 million due to the volatility in exchange rates of several currencies used in the Company's business.

Comparing with FY2007, other income for FY2008 decreased by 11.2% to HK\$23.2 million mainly due to decrease in miscellaneous receipts especially the sale of scrap materials.

The decrease in selling and administrative expenses in FY2008 was mainly due to the reduction in transportation as well as import/export charges which is in line with the decrease in turnover of machine sales segment.

Comparing with FY2007, finance costs for FY2008 increased by 23.5% to HK\$12.9 million which is the net result of the significant increase in the utilization of banking facilities during the first half of 2008 in line with increased business needs, and during the second half of FY2008, the company received the IPO funds and in view of the current economic crisis, strengthened cash and credit management and thus brought about a substantial reduction of the utilization of banking facilities.

15. A breakdown of sales.

	FY2008 HK\$'000	FY2007 HK\$'000	Change %
	Group	Group	Group
(a) Sales reported for first half year	644,596	554,166	+16.3
(b) Operating profit/loss after tax before deducting minority interests reported for first half year	44,578	31,352	+42.2
(c) Sales reported for second half year	700,112	660,569	+6.0
(d) Operating profit/loss after tax before deducting minority interests reported for second half year	28,966	73,533	-60.6

Operating profit after tax before deducting minority interests reported for second half year of FY2007 included gain on disposal of subsidiaries and gain on acquisition of minority interests of HK\$8,069,000 and HK\$17,779,000 respectively.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

	FY2008 HK\$'000	FY2007 HK\$'000
Ordinary	16,728	17,801
Preference	N/A	N/A
Total:	16,728	17,801

Total Annual Dividend represented the final proposed dividend of the Company of S\$0.01 per share amounted to S\$3,280,000 (approximately HK\$16,728,000).

17. Interested Person Transactions (“IPTs”)

	Aggregate value of all interested person transaction during the year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	HK\$'000	HK\$'000
	N/A	N/A

18. Use of IPO Proceeds

	HK\$ (million)
Plant, machinery and production facilities	22.8
Research and development	5.7
Sales and marketing network	2.8
Manufacturing facilities for the production of automobile parts	-

19. Negative Assurance Confirmation Pursuant To Rule 705(4) 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 12 months financial period ended 31 December 2008 to be false or misleading.

On behalf of the Board of Directors,

Tam Jo Tak, Dominic
Executive Chairman

Chiu Hau Shun, Simon
Executive Director

20. COMPLETION OF TRANSFER PROCEDURES IN RESPECT OF HENG LI LAND

As disclosed on page 82 of the Company's prospectus dated 11 June 2008 issued in conjunction with its initial public offering ("Prospectus"), Cheng Da Toy Company Limited ("Cheng Da Toy"), a subsidiary in the Group, had obtained the agreement of Dongguan Municipality Heng Li Zhen Foreign Trade and Economic Cooperation Office ("TECO") for the transfer of the land use rights to the parcel of land on which Cheng Da Toy is occupying ("Heng Li Land") and Cheng Da Toy was at the time of issuance of the Prospectus awaiting the documentation for the transfer of the Heng Li Land from TECO. The Directors are pleased to inform Shareholders that the transfer of the land use rights to the Heng Li Land had been duly completed and Cheng Da Toy has accordingly been duly issued the relevant certificates of land use rights.

BY ORDER OF THE BOARD

Tam Jo Tak, Dominic
Executive Chairman

26 February 2009