

COMBINE WILL INTERNATIONAL HOLDINGS LIMITED

聯志國際控股有限公司

(Incorporated in the Cayman Islands on 8 October 2007)

Company Registration No. MC-196613

(the "Company")

THE PROPOSED SPIN-OFF OF THE MOULDS AND TOOLING BUSINESS AND LISTING OF A PRINCIPAL SUBSIDIARY ON THE KOREAN SECURITIES DEALERS AUTOMATED QUOTATIONS OR KOREA COMPOSITE STOCK PRICE INDEX ("KOSDAQ")

1. Introduction

The Board of Directors (the "**Board**") of the Company (together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to seek a listing of its Moulds and Tooling business segment on KOSDAQ (the "**Proposed Listing**"). The Proposed Listing will be done through an initial public offering of new and possibly, vendor shares (including vendor shares to be offered by the Company), of not more than half of the issued share capital of a newly incorporated wholly-owned subsidiary of the Company, which will be constituted as the holding company of the Moulds and Tooling business segment for the purpose of the Proposed Listing (the "**Principal Subsidiary**"). In connection with the Proposed Listing, the Company intends to undertake a restructuring exercise, the completion of which will result in the Company holding the entire issued and paid-up share capital of the Principal Subsidiary.

The Company's subsidiary, Altrust Precision Tooling (Dongguan) Co., Ltd., has today, entered into a lead management agreement with Shinyoung Securities Co., Ltd ("**Shinyoung**") to appoint Shinyoung as the lead manager and underwriter for the Proposed Listing.

2. Information on the Moulds and Tooling business segment

The Moulds and Tooling business segment, currently held through the Company's wholly-owned subsidiaries, Wonderful Luck Incorporated (BVI) and Most Lucky Co., Ltd (BVI) (the "**Altrust (HK) Shareholders**"), is one of the leading suppliers of plastic injection and die-casting moulds in southern China. In addition to the production of moulds and tooling for the Group's internal use, the Group produces and sells moulds and tooling to third party companies in the consumer, medical, telecommunication and automobile industries, such as Honda, Volvo, Toshiba and Honeywell. Further information on the Moulds and Tooling business segment is set out in the Company's prospectus dated 11 June 2008, available on the Company's website at <http://www.combinewill.com>.

3. Rationale for the Proposed Listing

The Board believes that the Proposed Listing will not only raise the profile of the Moulds and Tooling business segment in Korea but also strengthen the financial position and business prospects of the Moulds and Tooling business segment. In considering the Proposed Listing, the Board has also taken into account various factors, including:-

- (a) the Moulds and Tooling business segment is of a sufficient scale to justify a separate listing on KOSDAQ. With its own listing on KOSDAQ, the Moulds and Tooling business segment will be able to gain financial autonomy and also have direct access to the capital markets in Korea to fund its existing operations and future growth and expansion plans;
- (b) the Proposed Listing will add to the value and growth potential of the Moulds and Tooling business segment. In this connection, investors will be able to more readily evaluate the financial performance of the Moulds and Tooling business segment and have the opportunity of investing directly in the Moulds and Tooling business segment; and
- (c) a separate listing for the Moulds and Tooling business segment will provide additional incentive to the management team of the Moulds and Tooling business segment to pursue the expansion and growth of the Moulds and Tooling business segment.

In addition, the Proposed Listing will enhance the reputation and credit worthiness of the Group, particularly in dealing with customers, suppliers and bankers, and enable the Company to realise part of its investments in the Moulds and Tooling business segment.

4. The Proposed Listing and Related Transactions

In connection with the Proposed Listing, the Group intends to undertake, *inter alia*, the following:

- (a) an internal rationalisation and restructuring exercise, the completion of which will result in the Principal Subsidiary holding the entire issued and paid-up share capital of the Altrust (HK) Shareholders, which will in turn collectively hold the entire issued and paid-up share capital of Altrust Precision Tooling Company Limited, the current ultimate holding company of the Moulds and Tooling business segment and the Machine Sales business segment (the "**Proposed Restructuring**"); and
- (b) a public issue of new ordinary shares and a vendor sale (the "**Vendor Sale**") of ordinary shares in the Principal Subsidiary.

Further details on the Proposed Restructuring will be announced at a later date.

5. Conditions precedent

The Proposed Listing is subject to, *inter alia*, the following:-

- (a) approval of the shareholders of the Company (the "**Shareholders**") in general meeting for the Proposed Listing, if:
 - (i) pursuant to Rule 805(2) of the listing manual of Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Proposed Listing results in a percentage reduction of 20% or more of the Company's interest in the Principal Subsidiary; and/or
 - (ii) pursuant to the Vendor Sale and the Proposed Listing, any of the relative figures computed under Rule 1006 of the Listing Manual exceeds 20%,

making the transaction a “major transaction” or a “very substantial transaction”;

- (b) admission of the Principal Subsidiary and the listing of and quotation for the entire issued and paid-up share capital of the Principal Subsidiary on KOSDAQ;
- (c) approval from all regulatory authorities as may be required;
- (d) prevailing market conditions; and
- (e) the final approval of the Board nearer to the launch of the Proposed Listing.

6. Interests of Directors and Substantial Shareholders

None of the directors of the Company (other than in his capacity as a director or shareholder of the Company) and substantial Shareholders has any interest, direct or indirect, in the Proposed Listing.

7. Financial effects

The Proposed Listing is not expected to have any impact on the Group and the Company's financial performance and financial position for the current financial year ending 31 December 2009.

8. Shareholders Advised to Act with Caution

Given that the Proposed Listing is still at a preliminary stage and is subject to various approvals and conditions precedent, Shareholders are advised to exercise caution when dealing in the shares of the Company. There is no certainty or assurance that the Proposed Listing will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Listing and other matters contemplated by this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Tam Jo Tak, Dominic
Executive Chairman and Chief Executive Officer

16 June 2009