



Combine Will International Holdings Limited
(Incorporated in the Cayman Islands on 8 October 2007)
(Co. Reg. No.: MC-196613)

Press Release

**COMBINE WILL CONTINUES PROFITABLE TREND
WITH 3Q 2017 NET PROFIT OF HK\$2.2 MILLION
ON REVENUE OF HK\$332.5 MILLION**

- **Healthy cash position with HK\$77.2 million at 30 September 2017**
- **New factory in Indonesia on track to diversify production base**
- **Signals a return to profitability for FY2017**

FINANCIAL HIGHLIGHTS

HK\$ 'mil	3Q2017	3Q2016	%Change	9M2017	9M2016	%Change
Revenue	332.5	312.9	6.3	960.2	930.0	3.3
Gross Profit	24.0	9.5	152.3	70.7	53.6	31.7
Gross Margin (%)	7.2	3.0	137.5	7.4	5.8	27.6
Profit/(loss) from Operations	6.1	(8.6)	171.4	15.2	(4.1)	472.1
Profit/(loss) Before Tax	2.7	(11.6)	123.1	5.7	(16.0)	135.4
Profit/(loss) After Tax	2.2	(11.9)	118.7	4.7	(17.1)	127.8
Basic EPS (cents)	3.2	(36.6)		8.9	(49.3)	

Singapore, November 7, 2017 – 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 premium, toys and consumer products in the People’s Republic of China (“PRC”) and Hong Kong continued to deliver a profit for its third consecutive quarter this year, signaling a return to profitability for FY2017. The Group



reported a net profit of HK\$2.2 million on a 6.3% increase in revenue to HK\$332.5 million for the third quarter ended 30 September 2017 (“3Q 2017”).

Mr. Simon Chiu, Executive Director of Combine Will, said:

“Our focused efforts in process re-engineering have paid off, with productivity enhancements and improved cost efficiencies. Our concerted outreach to strengthen customer relationships have also delivered higher sales, especially in machine sales.

“When our strategies are fully-implemented, we believe Combine Will’s competitive advantage will give us the edge to further improve the Group’s performance.”

During the quarter under review, machine sales more than doubled to HK\$54.8, adding HK\$28.7 million which more than offset the HK\$7.5 million marginal fall in ODM/OEM revenue and corresponding HK\$1.7 million in Moulds and Toolings due to a slowdown in shipment schedules. Total revenue of HK\$332.5 million was marginally higher than the sales of HK\$312.9 million recorded the corresponding quarter the previous year.

Combine Will’s gross profit increased by HK\$14.5 million, or 152.3%, generating gross profit margin of 7.2% compared to 3.0% the corresponding period in FY2016. The ODM/OEM segment recorded a HK\$12.2 million increase in gross profit, reflecting a 13-fold jump. This is a clear signal that the Group’s continuing focus on productivity enhancements and cost efficiencies has paid off.

The pilot run for the Group’s new factory in Karang Malang, Masaran, Sragen, Central Java, Indonesia is on track and expected to deliver its first shipment as scheduled. This new factory will diversify its production bases and allow the Group to reap higher cost efficiencies.

On 27 October 2017, the Group entered into a RMB 200 million investment agreement with the Cangwu County People’s Government to establish a new production facility in Cangwu County Industrial Park, Guangxi Province, the People’s Republic of China. Construction is expected to be completed by September 2018 with production commencing before year end. This lower-cost county, coupled with ample labour supply and attractive municipal government incentives and



subsidies, will further improve the Group's cost efficiencies and enhance its competitive advantage.

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") and Hong Kong. We are also a supplier of plastic injection and die-casting moulds, as well as a distributor of technologically-advanced machines and precision tools used for the manufacture of moulds, die-cast and automobile products.

Established in 1992 and listed on the Main Board of the Singapore Exchange Securities Trading Limited in 2008, we have since grown and expanded our 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, moulds and tooling, and machine sales, we are well-positioned to meet the unique needs of our customers by offering highly customized, comprehensive business solutions including idea generation, product design, mould making and manufacturing. Our customers are from Asia, Europe and North/South 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 approximately 10,000, operating in seven manufacturing facilities in Dongguan, Heyuan and Wuzhou as well as our latest plant in Sragen, Indonesia.

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