



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

Press Release

**COMBINE WILL REPORTS HK\$11.9 MILLION LOSS IN 3Q 2016
ON 34.7% FALL IN REVENUE TO HK\$312.9 MILLION**

- **Healthy cash position with HK\$68.2 million as at 30 September 2016**
- **New factory in Indonesia will diversify production base to reap greater cost efficiencies**

FINANCIAL HIGHLIGHTS

HK\$ 'mil	3Q 2016	3Q 2015	%Change	9M 2016	9M 2015	%Change
Revenue	312.9	479.5	(34.7)	930.0	1,566.5	(40.6)
Gross Profit	9.5	40.6	(76.6)	53.6	133.6	(59.9)
Gross Margin (%)	3.0	8.5	(64.7)	5.8	8.5	(31.8)
Profit/(loss) from Operations	(8.6)	7.2	(219.0)	(4.1)	31.9	(112.8)
Profit/(loss) Before Tax	(11.6)	1.6	(823.0)	(16.0)	15.5	(203.1)
Profit/(loss) After Tax	(11.9)	1.4	(931.8)	(17.1)	14.8	(215.2)
Basic EPS (cents)	(36.4)	7.2	(605.6)	(49.1)	43.6	(212.6)

Singapore, November 9, 2016 - Singapore Exchange Main Board-listed Combine Will International Holdings 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 reported a net loss of HK\$11.9 million on a 34.7% decrease in revenue to HK\$312.9 million for its third quarter ended September 30, 2016 (“**3Q 2016**”). In



view of continuing economic uncertainties, sales continued to be affected by lower orders from the Group's major customers who took a conservative approach towards the development of new products.

Under these challenging business conditions, the Group expects sales to continue to be slow in the next few quarters, adding further pressure on costs in view of declining economies of scale. Accordingly, it expects to report a loss for FY2016, for the first time since its listing on the Singapore Exchange in 2008.

Meanwhile, the Group has started construction planning for its new factory to be built on a newly-acquired 5.2-hectare industrial land in Sragen, Indonesia. This new factory will allow the Group to reap higher cost efficiencies by relocation of its labour-intensive production there. Production in the new factory is scheduled to commence in the first half of FY2017.

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

“Notwithstanding declining sales, our fundamentals are sound and balance sheet remains strong, with total cash of HK\$68.2 million which can safely meet our operational requirements.

“We have adopted a two-prong strategy to contain costs and to increase sales (to both current and new customers). We believe Combine Will is well-positioned to weather challenging business conditions and barring unforeseen circumstances, will emerge strong and profitable when our strategies are fully-implemented.”



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

Combine Will International Holdings Limited (“Combine Will”) is one of the leading Original Design Manufacturers (“ODM”) / Original Equipment Manufacturers (“OEM”) of corporate premiums, toys and consumer products in the People’s Republic of China (“PRC”) and Hong Kong. We are also one of the suppliers 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 able to help 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 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 six manufacturing facilities in Dongguan and Heyuan, Guangdong Province as well as our latest plant in Guangxi Province.

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