



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\$8.3 Million Loss in 2Q 2016
on 57.5% Fall in Revenue to HK\$240.9 Million**

- **Decrease in sales across all three business segments**
- **Expects loss for FY2016**
- **Healthy cash position with HK\$66.1 million at 30 June 2016**
- **Plans to diversify production base to enjoy greater cost efficiencies underway with purchase of industrial land in Indonesia**

FINANCIAL HIGHLIGHTS

HK\$ 'mil	2Q 2016	2Q 2015	%Change	Q1 2016	%Change
Revenue	240.9	566.3	(57.5)	376.2	(36.0)
Gross Profit	12.2	51.3	(76.2)	31.9	(61.8)
Gross Margin (%)	5.1	9.1	(56.0)	8.5	(40.0)
Profit/(loss) from Operations	(5.0)	12.2	(141.0)	9.5	(52.6)
Profit/(loss) Before Tax	(8.2)	6.8	(220.5)	3.7	(221.6)
Profit/(loss) After Tax	(8.3)	6.4	(229.5)	3.2	(259.4)
Basic EPS (cents)	(21.5)	15.9	(134.7)	8.8	(244.3)

Singapore, August 11, 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\$8.3 million on the back of a 57.5%



reduction in revenue to HK\$240.9 million for its second quarter ended June 30, 2016 (“2Q 2016”). This is the Group’s first quarterly loss since 2Q 2013.

All its three business segments – ODM/OEM, Moulds and Tooling and Machine Sales – suffered declining sales, mainly due to the clients adopting conservative cautious approaches in placing orders in view of the challenging global economies and turbulent macro-economics.

Under these business conditions, the Group expects slow sales to continue in the next few quarters, adding further pressure on costs in view of declining in capability to enjoy economies of scale. Accordingly, the Group is expected to report a loss for FY2016.

Meanwhile, the company has recently acquired a plot of 5.2-hectare industrial land in Sragen, Central Java, Indonesia. Certain labour-intensive production will be conducted in Indonesia when initial production commences in 1Q FY2017. When fully completed in 4Q FY2018, it will provide additional production area of 38,000 sqm.

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

“We are sparing no efforts to contain costs and increase our sales. Our new production facility in Indonesia will help us enjoy greater economies of scale. On the sales front, we have developed strategic plans and improved our customer service for all our key customers to secure more orders up front.

“Our fundamentals are sound and balance sheet remains strong, with total cash of HK\$66.1 million which are more than adequate for our operational needs.

“We believe Combine Will is well-positioned to weather current challenging business conditions and return to profitability 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.

For media enquiries, please contact:

Ms Joyce Jiang

Combine Will International Holdings Limited

Tel: +86 769 8337 2813 Ext 8354

Email: joyce.jiang@hkcw.com