



Combine Will International Holdings Limited

(Incorporated in the Cayman Islands on 8 October 2007)
(Co. Reg. No.: MC-196613)

NEWS RELEASE

COMBINE WILL DELIVERS IMPROVED GROSS MARGIN ON HIGHER SALES OF HK\$1.76 BILLION IN FY2019

- Recommends Final Cash Dividend of 5 Singapore cents per Ordinary Share
- COVID-19 will have Short-Term Impact on Operations and Output
- Group to Continue to Focus on Productivity Enhancements to Further Improve Margin

FINANCIAL HIGHLIGHTS

HK\$'000	FY 2019	FY 2018 (restated)	%Change	Q4 2019	Q4 2018 (restated)	%Change
Continuing Operations:						
Revenue	1,765,226	1,416,410	24.63	351,292	326,286	7.66
Gross Profit	149,017	100,292	48.58	37,660	31,039	21.33
Gross Margin (%)	8.4	7.1	18.3	10.7	9.5	12.8
Profit/(loss) from Operations	82,969	71,314	16.34	22,117	(40,630)	154.44
Profit/(loss) Before Tax	60,355	56,206	7.38	15,455	(44,575)	134.67
Profit/(loss) After Tax	53,871	52,683	2.25	14,057	(46,221)	130.41
Discontinued Operations:						
(Loss)/profit after Tax	(2,668)	72		-	(2,123)	
Profit/(loss) Attributed to the Owner of the Company	54,355	52,747	3.05	14,507	(47,615)	129.52
Basic EPS (cents)	168.14	163.16		43.48	(147.29)	

Singapore, 28 February 2020 – 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 premiums, toys and consumer products in the People’s Republic of China (“**PRC**”), Hong Kong and Indonesia delivered an 18.3% improvement in gross margin, from 7.1% to 8.4% on a higher turnover of HK\$1.76 billion for the financial year ended December 31, 2019 (FY2019).



Group turnover for the last quarter ended December 31, 2019 (4Q2019) increased by HK\$25.0 million (or 7.7%) to HK\$351.3 million, from HK\$326.3 million in the corresponding quarter the previous year (4Q2018). This was mainly due to stable and continuing orders from core customers during the period under review. For the full financial year (FY2019), group turnover reflected a higher increase of HK\$348.8 million or 24.6% to HK\$1.76 billion, from HK\$1.4 billion in FY2018. This was mainly affected by the implementation of IFRS 15 during the year.

Sales growth and continuing productivity enhancements brought the Group's gross profit margin from 9.5% to 10.7% in 4Q2019. For the full financial year, gross margin improved by a stronger 18.3%, from 7.1% in FY2018 to 8.4% in FY2019.

Mr. Simon Chiu, Executive Director of Combine Will said: "We are gratified that the Group continues to enjoy improved margins from our re-engineering efforts and productivity enhancements. Our strengthened relationships with core customers had resulted in stable and continuing sales.

"Going forward, the Group is well-positioned this year to reap more productivity gains from continuing re-engineering and re-organisation strategies ."

Combine Will's Board has recommended a final cash dividend of 5 Singapore cents per ordinary share.

The Group expects the disruptions caused by COVID-19 to have only a short-term impact on its operations. All its factories have resumed operations and supply chain impact will not be significant as around half of its supplies are sourced from outside China.

Barring unforeseen circumstances, the Group expects to deliver another profitable year in FY2020.



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”), Hong Kong and Indonesia.

Established in 1992 and listed on the Main Board of the Singapore Exchange Securities Trading Limited in 2008, the Group has since grown and expanded its 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, the Group is well-positioned to meet the unique needs of our customers by offering highly customized, comprehensive business solutions including idea generation, product design 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 more than 10,000, operating in six manufacturing facilities in Guangdong Province and Guangxi Province, the PRC as well as Sragen, Indonesia.

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