



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

News Release

Combine Will continues to reap improved bottom line from corporate re-engineering with 262.0% increase in group pretax profit of HK\$57.4 million

- **Indonesia Plant Operating on Schedule with Construction of Phase 3 On Track to Complete by Mid-Year and Full Capacity before end of FY2019**
- **New Plant in Cangwu PRC Commenced Operations in November 2018 with First Shipment in Q1 2019**

FINANCIAL HIGHLIGHTS

HK\$'million	FY 2018	FY 2017	%Change	Q4 2018	Q4 2017	%Change
Revenue	1,563.3	1,363.9	14.6	342.4	403.8	(15.2)
Gross Profit	125.6	106.2	18.2	34.4	35.6	(3.4)
Gross Margin (%)	8.0	7.8	2.6	10.0	8.8	13.6
Profit/(loss) from Operations	72.8	28.5	155.9	(43.0)	13.3	(423.3)
Profit/(loss) Before Tax	57.4	15.9	262.0	(46.9)	10.2	(559.8)
Profit/(loss) After Tax	52.8	12.1	336.7	(48.3)	7.3	(758.6)
Basic EPS (cents)	163.2	32.4		(147.3)	23.5	

Singapore, [28 Feb 2019]– 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 continued to reap the results of its in-process re-engineering, recording a 262.0% jump in pretax profit of HK\$57.4 million for its full year ended December 31, 2018 (“**FY2018**”) on a more modest increase of 14.6% in revenue to HK\$1,563.3 million. This reflected a margin improvement to 8.0% from 7.8% for the previous year.



Mr Simon Chiu, Executive Director of Combine Will said: “We are delighted to report that our re-engineering efforts undertaken in the past two years continue to bear more fruits, in continuing improvement in margins and higher turnover. Our core customers had given us their endorsement for our strategic in-process re-engineering and relocation to new plants with increased orders.

“Our Indonesia plant is operating well, with staff strength of more than 3,000 and we are on track to complete construction of Phase 3 by mid-year 2019. This will enable the plant to operate at full capacity before the end of this year. Our new manufacturing facility in Cangwu, Guangxi Province in China had commenced production in November, with more than 1,000 workers now and on track to make stronger contribution to the group’s performance this year.”

The Group’s core ODM/OEM segment delivered a 20.1% improvement in revenue with a strong 41.9% jump in gross profit due to increased orders from core customers and productivity enhancements. Both Moulds & Toolings and Machine Sales recorded declines of 6.8% and 14.1% in revenue respectively due to relocation of factory in the first half of the year for Moulds & Toolings and lesser orders for Machine Sales.

For FY2018, ODM/OEM accounted for HK\$1.27 billion of the Group’s total revenue; Machine Sales contributed HK\$121.6 million whilst Moulds & Tooling contributed HK\$42.5 million. Asia took up 87.4% or HK\$1.36 billion of the Group’s total sales whilst Europe represented 11.0% or HK\$172.7 million and North America a modest 1.6% or HK\$24.9 million.

The Group has undertaken a strategic review on corporate structure and lines of business in 2018. The focus is on cessation or divestment of less profitable business operation units and to concentrate on the more substantial and currently profitable business segment and new business initiatives with solid growth potential.

Barring unforeseen circumstances, and with the restructuring and streamlining exercise completed as scheduled, the Group expects to deliver another year of profit in FY2019.



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”), Hong Kong and Indonesia. 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 customised, 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 seven manufacturing facilities in Guangdong Province and Guangxi Province as well as in Sragen, Indonesia.

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