



**COMBINE WILL INTERNATIONAL  
HOLDINGS LIMITED**

Condensed Interim Financial Information  
For the Six Months and Financial Year Ended 31 December 2023

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED  
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Notes	Six months ended 31			Financial year ended 31		
		December		Increase/ (Decrease) %	December		Increase/ (Decrease) %
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Audited)	
<b>Revenue</b>	5	<b>602,106</b>	<b>732,771</b>	<b>(17.83)</b>	<b>1,113,174</b>	<b>1,341,352</b>	<b>(17.01)</b>
Cost of sales		<b>(529,291)</b>	<b>(653,422)</b>	<b>(19.00)</b>	<b>(984,720)</b>	<b>(1,198,492)</b>	<b>(17.84)</b>
<b>Gross profit</b>		<b>72,815</b>	<b>79,349</b>	<b>(8.23)</b>	<b>128,454</b>	<b>142,860</b>	<b>(10.08)</b>
Other income and gains and losses		<b>16,196</b>	<b>12,451</b>	<b>30.08</b>	<b>36,136</b>	<b>27,613</b>	<b>30.87</b>
Selling and distribution expenses		<b>(7,307)</b>	<b>(8,704)</b>	<b>(16.05)</b>	<b>(12,255)</b>	<b>(18,604)</b>	<b>(34.13)</b>
Administrative expenses		<b>(40,100)</b>	<b>(33,827)</b>	<b>18.54</b>	<b>(74,163)</b>	<b>(68,405)</b>	<b>8.42</b>
<b>Profit from operations</b>		<b>41,604</b>	<b>49,269</b>	<b>(15.56)</b>	<b>78,172</b>	<b>83,464</b>	<b>(6.34)</b>
Finance costs	7.1	<b>(15,475)</b>	<b>(14,054)</b>	<b>10.11</b>	<b>(29,326)</b>	<b>(22,718)</b>	<b>29.09</b>
<b>Profit before tax</b>	7.1	<b>26,129</b>	<b>35,215</b>	<b>(25.80)</b>	<b>48,846</b>	<b>60,746</b>	<b>(19.59)</b>
Income tax expense	8	<b>(4,112)</b>	<b>(15,097)</b>	<b>(72.76)</b>	<b>(6,315)</b>	<b>(17,989)</b>	<b>(64.90)</b>
<b>Profit for the period/year, net of tax</b>		<b>22,017</b>	<b>20,118</b>	<b>9.44</b>	<b>42,531</b>	<b>42,757</b>	<b>(0.53)</b>
<b>Profit for the period/year attributable to:</b>							
Owners of the Company		<b>22,017</b>	<b>20,118</b>	<b>9.44</b>	<b>42,531</b>	<b>42,757</b>	<b>(0.53)</b>
<b>Earnings per share</b>	10						
Basic earnings per share (HK cents)		<b>68.11</b>	<b>62.23</b>	<b>9.45</b>	<b>131.56</b>	<b>132.27</b>	<b>(0.54)</b>

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<u>Six months ended 31</u>			<u>Financial year ended 31</u>		
	<u>December</u>		<u>Increase/ (Decrease)</u> %	<u>December</u>		<u>Increase/ (Decrease)</u> %
	<u>2023</u> HK\$'000 <u>(Unaudited)</u>	<u>2022</u> HK\$'000 <u>(Unaudited)</u>		<u>2023</u> HK\$'000 <u>(Unaudited)</u>	<u>2022</u> HK\$'000 <u>(Audited)</u>	
<b>Profit for the period/year</b>	<b>22,017</b>	<b>20,118</b>	<b>9.44</b>	<b>42,531</b>	<b>42,757</b>	<b>(0.53)</b>
<b>Other comprehensive income:</b>						
<i>Items that may not be reclassified subsequently to profit or loss:</i>						
Fair value changes of equity instruments at fair value through other comprehensive income ("FVTOCI")	109	(86)	(226.74)	109	(86)	(226.74)
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translating foreign operations	(11,986)	(45,473)	(73.64)	(10,612)	(57,272)	(81.47)
<b>Other comprehensive income for the period/year, net of tax</b>	<b>(11,877)</b>	<b>(45,559)</b>	<b>(73.93)</b>	<b>(10,503)</b>	<b>(57,358)</b>	<b>(81.69)</b>
<b>Total comprehensive income for the period/year</b>	<b>10,140</b>	<b>(25,441)</b>	<b>(139.86)</b>	<b>32,028</b>	<b>(14,601)</b>	<b>(319.35)</b>
<b>Total comprehensive income for the period/year attributable to:</b>						
Owners of the Company	10,140	(25,441)	(139.86)	32,028	(14,601)	(319.35)

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED STATEMENTS OF FINANCIAL POSITION**  
**AT 31 DECEMBER 2023**

	Notes	Group		Company	
		31 December 2023 HK\$'000 (Unaudited)	31 December 2022 HK\$'000 (Audited)	31 December 2023 HK\$'000 (Unaudited)	31 December 2022 HK\$'000 (Audited)
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	454,673	485,114	-	-
Right-of-use assets		69,433	76,988	-	-
Financial assets at fair value through other comprehensive income ("FVTOCI")		189	80	-	-
Investments in subsidiaries		-	-	462,282	462,262
Goodwill		1,927	1,927	-	-
Deposit paid		35,266	-	-	-
<b>Total non-current assets</b>		<b>561,488</b>	<b>564,109</b>	<b>462,282</b>	<b>462,262</b>
<b>Current assets</b>					
Contract assets	14	258,356	283,668	-	-
Inventories		85,341	90,363	-	-
Trade and bills receivables	15	150,114	186,144	-	-
Prepayments, deposits and other receivables		127,022	165,304	-	-
Financial assets at fair value through profit or loss ("FVTPL")	12	122,319	120,932	-	-
Bank and cash balances		126,394	132,057	1,288	1,783
<b>Total current assets</b>		<b>869,546</b>	<b>978,468</b>	<b>1,288</b>	<b>1,783</b>
<b>Total assets</b>		<b>1,431,034</b>	<b>1,542,577</b>	<b>463,570</b>	<b>464,045</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Non-current liabilities</b>					
Borrowings	16	9,000	15,000	-	-
Lease liabilities		34,506	50,227	-	-
Redemption liability		7,809	-	-	-
Deferred tax liabilities		-	2,650	-	-
<b>Total non-current liabilities</b>		<b>51,315</b>	<b>67,877</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Current tax liabilities		12,020	15,640	-	-
Trade and bills payables		195,566	247,220	-	-
Amounts due to subsidiaries		-	-	42,792	33,803
Accruals and other payables		129,472	169,139	-	-
Lease liabilities		21,307	18,622	-	-
Borrowings	16	275,191	303,932	-	-
Financial guarantees		-	-	17,400	17,380
<b>Total current liabilities</b>		<b>633,556</b>	<b>754,553</b>	<b>60,192</b>	<b>51,183</b>
<b>Total liabilities</b>		<b>684,871</b>	<b>822,430</b>	<b>60,192</b>	<b>51,183</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	17	242,456	242,456	242,456	242,456
Reserves		500,229	477,691	160,922	170,406
		742,685	720,147	403,378	412,862
Non-controlling interests		3,478	-	-	-
<b>Total equity</b>		<b>746,163</b>	<b>720,147</b>	<b>403,378</b>	<b>412,862</b>
<b>Total liabilities and equity</b>		<b>1,431,034</b>	<b>1,542,577</b>	<b>463,570</b>	<b>464,045</b>

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

<u>Group</u>	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Statutory reserve (Note) HK\$'000	Capital redemption reserve HK\$'000	Financial assets at FVTOCI reserve HK\$'000	Foreign currency translation reserve HK\$'000	Retained earnings HK\$'000	Subtotal HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2023 (audited)	242,456	26,488	2,033	1,665	(1,920)	(41,638)	491,063	720,147	-	720,147
Total comprehensive income for the period	-	-	-	-	109	(10,612)	42,531	32,028	-	32,028
Recognition of redemption liability in respect of the call and put option granted to non-controlling shareholder	-	-	-	-	-	-	-	-	3,425	3,425
Contribution from non-controlling shareholder in respect of incorporation of a subsidiary	-	-	-	-	-	-	-	-	53	53
Dividend paid (Note 9)	-	-	-	-	-	-	(9,490)	(9,490)	-	(9,490)
Changes in equity for the period	-	-	-	-	109	(10,612)	33,041	22,538	3,478	26,016
At 31 December 2023 (unaudited)	242,456	26,488	2,033	1,665	(1,811)	(52,250)	524,104	742,685	3,478	746,163
At 1 January 2022 (audited)	242,456	26,488	2,033	1,665	(1,834)	15,634	457,730	744,172	-	744,172
Total comprehensive income for the year	-	-	-	-	(86)	(57,272)	42,757	(14,601)	-	(14,601)
Dividend paid (Note 9)	-	-	-	-	-	-	(9,424)	(9,424)	-	(9,424)
Changes in equity for the year	-	-	-	-	(86)	(57,272)	33,333	(24,025)	-	(24,025)
At 31 December 2022 (audited)	242,456	26,488	2,033	1,665	(1,920)	(41,638)	491,063	720,147	-	720,147

Note:

In accordance with the relevant regulations in the People's Republic of China (the "PRC"), the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after tax, if any, to a statutory reserve until the reserve balance reaches 50% of the registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve which is not available for appropriation may be used to offset the accumulated losses, if any, of the subsidiaries.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**Company**

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Capital redemption reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
<b>At 1 January 2023 (audited)</b>	<b>242,456</b>	<b>26,488</b>	<b>130,205</b>	<b>1,665</b>	<b>12,048</b>	<b>412,862</b>
Total comprehensive income for the year	-	-	-	-	6	6
Dividend paid (Note 9)	-	-	-	-	<b>(9,490)</b>	<b>(9,490)</b>
Changes in equity for the year	-	-	-	-	<b>(9,484)</b>	<b>(9,484)</b>
<b>At 31 December 2023 (unaudited)</b>	<b>242,456</b>	<b>26,488</b>	<b>130,205</b>	<b>1,665</b>	<b>2,564</b>	<b>403,378</b>
At 1 January 2022 (audited)	242,456	26,488	130,205	1,665	20,506	421,320
Total comprehensive income for the year	-	-	-	-	966	966
Dividend paid (Note 9)	-	-	-	-	<b>(9,424)</b>	<b>(9,424)</b>
Changes in equity for the year	-	-	-	-	<b>(8,458)</b>	<b>(8,458)</b>
At 31 December 2022 (audited)	242,456	26,488	130,205	1,665	12,048	412,862

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<u>Six months ended</u> 31 December		<u>Financial year ended</u> 31 December	
	<u>2023</u> HK\$'000 <u>(Unaudited)</u>	<u>2022</u> HK\$'000 <u>(Unaudited)</u>	<u>2023</u> HK\$'000 <u>(Unaudited)</u>	<u>2022</u> HK\$'000 <u>(Audited)</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	26,129	35,215	48,846	60,746
Adjustments for:				
Depreciation of property, plant and equipment	39,309	37,583	79,135	74,256
Depreciation of right-of-use assets	11,445	9,768	20,814	19,939
Loss/(gain) on disposal of property, plant and equipment	50	(275)	292	(1,193)
Reversal of impairment loss on trade receivables and contract assets, net	(73)	(1,406)	(700)	(1,406)
Bad debts	67	-	67	-
Allowance/(reversal of allowance) for inventory	292	(1,851)	(3,233)	(1,851)
Dividend income	(865)	(1,073)	(1,896)	(2,554)
Fair value (gain)/loss on financial assets at FVTPL	(1,901)	5,262	(1,310)	11,793
Loss on disposal of financial assets at FVTPL	177	-	177	-
Lease modification	(2,665)	(30)	(2,665)	(30)
Interest income	(1,555)	(1,249)	(2,835)	(1,503)
Finance costs	15,475	14,054	29,326	22,718
Operating profit before working capital changes	85,885	95,998	166,018	180,915
Decrease in inventories	12,229	72,411	8,255	85,373
(Increase)/decrease in contract assets	(4,819)	(1,173)	25,553	60,837
(Increase)/decrease in trade and bills receivables	(30,759)	(24,622)	36,416	(16,753)
Decrease/(increase) in prepayments, deposits and other receivables	43,142	(11,249)	31,838	2,236
Increase in financial assets at FVTPL	(263)	(78,370)	(263)	(40,626)
Increase/(decrease) in trade and bills payables	28,486	19,142	(55,009)	(2,599)
Decrease in accruals and other payables	(65,806)	(1,720)	(41,732)	(3,051)
Cash generated from operations	68,095	70,417	171,076	266,332
Interest paid	(12,774)	(9,707)	(23,727)	(15,890)
Income taxes refund/(paid)	1,516	10,172	(7,217)	(3,070)
Interest on lease liabilities	(1,967)	(4,347)	(4,865)	(6,828)
Net cash generated from operating activities	54,870	66,535	135,267	240,544



**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<u>Six months ended</u> <u>31 December</u>		<u>Financial year ended</u> <u>31 December</u>	
	<u>2023</u> <u>HK\$'000</u> <u>(Unaudited)</u>	<u>2022</u> <u>HK\$'000</u> <u>(Unaudited)</u>	<u>2023</u> <u>HK\$'000</u> <u>(Unaudited)</u>	<u>2022</u> <u>HK\$'000</u> <u>(Audited)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of property, plant and equipment	(51,112)	(48,023)	(57,743)	(97,129)
Deposit paid for acquisition of lands	(17,210)	-	(35,266)	-
Proceeds from disposals of property, plant and equipment	(1,838)	552	56	1,894
Dividend received from financial assets at FVTPL	865	1,073	1,896	2,554
Interest received	1,436	1,124	2,583	1,228
Net cash used in investing activities	<u>(67,859)</u>	<u>(45,274)</u>	<u>(88,474)</u>	<u>(91,453)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Contribution from non-controlling shareholders in respect of incorporation of subsidiaries	10,553	-	10,553	-
Dividend paid	-	(7,401)	(9,490)	(23,619)
Inception of bank loans	64,000	110,000	125,000	110,000
Repayment of bank loans	(67,222)	(105,124)	(118,681)	(123,291)
Net borrowing/(repayment) of trust receipts and import loans	15,579	20,851	(40,215)	(32,237)
Principal elements of lease payments	(9,607)	(9,279)	(18,552)	(17,963)
Net cash generated from/(used in) financing activities	<u>13,303</u>	<u>9,047</u>	<u>(51,385)</u>	<u>(87,110)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>314</b>	<b>30,308</b>	<b>(4,592)</b>	<b>61,981</b>
Net effect of exchange rate changes on cash and cash equivalents held	1,709	(19,485)	(1,071)	(33,408)
<b>CASH AND CASH EQUIVALENT AT 1 JULY/1 JANUARY</b>	<u><b>124,371</b></u>	<u><b>121,234</b></u>	<u><b>132,057</b></u>	<u><b>103,484</b></u>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<u><b>126,394</b></u>	<u><b>132,057</b></u>	<u><b>126,394</b></u>	<u><b>132,057</b></u>

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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**1. CORPORATE INFORMATION**

Combine Will International Holdings Limited (the “Company”) (Registration No. MC-196613) was incorporated in the Cayman Islands on 8 October 2007 under The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liabilities by shares. The Company’s shares are listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

These condensed interim financial statements as at and for the financial year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “Group”). The Company is an investment holding company. The principal activities of the Group are manufacturing of toys and premium products by ODM/OEM.

**2. BASIS OF PREPARATION**

The condensed interim financial statements for the financial year ended 31 December 2023 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual consolidated financial statements for the year ended 31 December 2022.

The condensed interim financial statements, which do not include the full disclosures of the type normally included in full annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”), are to be read in conjunction with the last audited financial statements for the year ended 31 December 2022.

Accounting policies and methods of computation used in the condensed interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2022, which were prepared in accordance with IFRSs.

The condensed interim financial statements are presented in Hong Kong dollars which is the Company’s functional currency.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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**2. BASIS OF PREPARATION (CONT'D)**

**2.1 New and amended standards adopted by the Group**

In the current period, the Group has adopted all the new and amended IFRSs that are relevant to its operations and effective for its accounting year beginning on 1 January 2023. IFRSs comprise International Financial Reporting Standards (“IFRS”), International Accounting Standards (“IAS”), and Interpretations. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended 31 December 2022. A number of new or amended standards are effective from 1 January 2023 but they do not have a material effect on the Group’s financial statements.

**2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

**3. SEASONAL OPERATIONS**

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**4. FAIR VALUE MEASUREMENTS**

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The following table shows the carrying amounts and fair value of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value of the carrying amount is a reasonable approximation of fair value. Further, for the current year the fair value disclosure of lease liabilities is also not required.

**(a) Disclosures of level in fair value hierarchy:**

**Group**

Description	Fair value measurements as at 31 December 2023:			Total 31 December 2023
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000 (Unaudited)
<b>Recurring fair value measurements:</b>				
<b>Financial assets</b>				
Financial assets at FVTPL				
- Investment products	-	122,319	-	122,319
Financial assets at FVTOCI				
- Unlisted equity securities	-	-	189	189
	-	122,319	189	122,508

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

4. **FAIR VALUE MEASUREMENTS (CONT'D)**

(a) **Disclosures of level in fair value hierarchy: (Cont'd)**

Description	Fair value measurements as at 31 December 2022:			Total 31 December 2022
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000 (Audited)
<b>Recurring fair value measurements:</b>				
<b>Financial assets</b>				
Financial assets at FVTPL				
- Investment products	-	120,932	-	120,932
Financial assets at FVTOCI				
- Unlisted equity securities	-	-	80	80
	<u>-</u>	<u>120,932</u>	<u>80</u>	<u>121,012</u>

(b) **Reconciliation of assets measured at fair value based on level 3:**

Description	<b>Financial assets at FVTOCI – unlisted equity securities</b>			
	<b>Six months ended</b>		<b>Financial year ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
At 1 July/ 1 January	80	166	80	166
Purchases				
Total gains/(losses) recognised				
- in other comprehensive income	109	(86)	109	(86)
At 31 December	<u>189</u>	<u>80</u>	<u>189</u>	<u>80</u>

5. **SEGMENT INFORMATION AND REVENUE**

Other than ODM/OEM, none of the other segments meets any of the quantitative thresholds for determining reportable segments. The management is of the opinion that there is only one significant operating division - manufacturing of toys and premium products - that represents the financial position of the Group. These financial data have been disclosed in the Condensed Statement of Financial Position and the Condensed Statement of Profit or Loss.

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5. **SEGMENT INFORMATION AND REVENUE (CONT'D)**

**Geographical information:**

The Group's revenue from external customers by location of operation and information about its non-current assets by location of assets are detailed below:

	Revenue			
	<u>Six months ended</u>		<u>Financial year ended</u>	
	<u>31 December</u>		<u>31 December</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Asia				
Greater China (including PRC, Hong Kong, Macau and Taiwan)	602,106	636,154	1,079,108	1,189,441
	<u>602,106</u>	<u>636,154</u>	<u>1,079,108</u>	<u>1,189,441</u>
Europe				
Germany	-	84,688	25,872	120,256
Switzerland	-	11,929	8,194	31,655
	<u>-</u>	<u>96,617</u>	<u>34,066</u>	<u>151,911</u>
Consolidated total	<u>602,106</u>	<u>732,771</u>	<u>1,113,174</u>	<u>1,341,352</u>

	Non-current assets	
	<u>31 December</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	HK\$'000	HK\$'000
	<u>(Unaudited)</u>	<u>(Audited)</u>
Asia		
Greater China (including PRC and Hong Kong)	340,308	381,717
Indonesia	221,180	182,392
Consolidated total	<u>561,488</u>	<u>564,109</u>

In presenting the geographical information, revenue is based on the locations of the customers.

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5. **SEGMENT INFORMATION AND REVENUE (CONT'D)**

**Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major products or service lines for the period operations is at follows.

	<u>Six months ended</u>		<u>Financial year ended</u>	
	<u>31 December</u>		<u>31 December</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Sales of toys and premium products ("Toys")	<u>602,106</u>	<u>732,771</u>	<u>1,113,174</u>	<u>1,341,352</u>

Sales of Toys derives revenue either from the transfer of goods at a point in time; or recognised as a performance obligation satisfied over time. The recognition is subject to the terms of sales contract in consideration of the local jurisdiction. All contracts are less than 12 months.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	<u>Group</u>	
	<u>31 December</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
Trade and bill receivables (Note 15)	<u>150,114</u>	<u>186,144</u>
Contract assets (Note 14)	<u>258,356</u>	<u>283,668</u>
Contract liabilities	<u>13,411</u>	<u>7,120</u>

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on sales of Toys. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised over time.

The amount of HK\$7,120,000 recognised in contract liabilities at the beginning of the period has been recognised as revenue for the year ended 31 December 2023.

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6. **FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

	<u>Group</u>		<u>Company</u>	
	<u>31 December</u> <u>2023</u> <u>HK\$'000</u> <u>(Unaudited)</u>	<u>31 December</u> <u>2022</u> <u>HK\$'000</u> <u>(Audited)</u>	<u>31 December</u> <u>2023</u> <u>HK\$'000</u> <u>(Unaudited)</u>	<u>31 December</u> <u>2022</u> <u>HK\$'000</u> <u>(Audited)</u>
<b>Financial assets:</b>				
Financial assets measured at amortised cost	554,725	636,096	1,288	1,783
Financial assets measured at FVTPL	122,319	120,932	-	-
Financial assets measured at FVTOCI	189	80	-	-
<b>Financial liabilities:</b>				
Financial liabilities at amortised cost	<u>633,443</u>	<u>736,860</u>	<u>60,192</u>	<u>51,183</u>



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7. **PROFIT BEFORE TAXATION**

7.1 **Significant items**

	<u>Six months ended</u>		<u>Financial year ended</u>	
	<u>31 December</u>		<u>31 December</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
<b>Other Income:</b>				
Interest income on bank deposits and financial assets at FVTPL	(1,436)	(1,124)	(2,583)	(1,228)
Imputed interest income	(119)	(125)	(252)	(275)
Dividend income	(865)	(1,073)	(1,896)	(2,554)
Lease modification	(2,665)	(30)	(2,665)	(30)
Loss/(gain) on disposal of property, plant and equipment	50	(275)	292	(1,193)
Reversal of impairment loss on trade receivables and contract assets, net	(73)	(1,406)	(700)	(1,406)
Bad debts	67	-	67	-
Allowance/(reversal of allowance) for inventories	292	(1,851)	(3,233)	(1,851)
Fair value (gain)/loss on financial assets at FVTPL	(1,901)	5,262	(1,310)	11,793
Loss on disposal of financial assets at FVTPL	177	-	177	-
<b>Expenses:</b>				
Depreciation of property, plant and equipment	39,309	37,583	79,135	74,256
Depreciation of right-of-use assets	11,445	9,768	20,814	19,939
Foreign exchange loss/(gain), net	3,721	555	5,212	(975)
<b>Finance Costs:</b>				
Interests on bank loans and borrowings	12,774	9,707	23,727	15,890
Interest expenses on lease liabilities	1,967	4,347	4,865	6,828
Interest expenses on redemption liabilities	734	-	734	-
	<u>15,475</u>	<u>14,054</u>	<u>29,326</u>	<u>22,718</u>

7.2 **Related party transactions**

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

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**8. INCOME TAX EXPENSE**

The Group calculates the period income tax expense using the rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	<u>Six months ended</u>		<u>Financial year ended</u>	
	<u>31 December</u>		<u>31 December</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>	<u>HK\$'000</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
Deferred tax credit	<u>(2,650)</u>	<u>-</u>	<u>(2,650)</u>	<u>-</u>
Current tax expenses				
- Hong Kong	44	184	44	184
- The PRC	1,871	4,924	3,994	5,056
- Indonesia	4,942	2,406	4,942	2,406
	<u>6,857</u>	<u>7,514</u>	<u>8,980</u>	<u>7,646</u>
Under-provision in prior years				
- Hong Kong	-	7,433	-	10,193
- The PRC	(95)	150	(15)	150
	<u>(95)</u>	<u>7,583</u>	<u>(15)</u>	<u>10,343</u>
Income tax expense	<u>4,112</u>	<u>15,097</u>	<u>6,315</u>	<u>17,989</u>

In 2020, a subsidiary of the Company received additional assessments demanding additional tax for the years of assessment 2013/14 and 2014/15 from the Hong Kong Inland Revenue Department (“HKIRD”). The amounts of additional assessments for the years of assessment 2013/14 and 2014/15 are HK\$1,842,000 and HK\$11,160,000 respectively and are relating to offshore profit claims in the respective years. The subsidiary purchased tax reserve certificates of HK\$1,842,000 for year of assessment 2013/14 during the year 2020, and tax reserve certificates including tax surcharge of HK\$12,425,000 for year of assessment 2014/15 during the year 2021.

In 2021, the subsidiary engaged a professional tax counsel for advice relating to its offshore trading profit claims, and also submitted an objection letter for years of assessment 2013/14 and 2014/15 and revised tax computations for years of assessment 2013/14 to 2019/20 to HKIRD for re-assessment.

In 2022, HKIRD issued the notice of revised assessment between 2013/14 and 2020/21 and charged the additional tax of HK\$13,947,000. The under-provision of tax expense of HK\$9,702,000 was recognised during the year of 2022.

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9. **DIVIDENDS**

	<u>2023</u> HK\$'000 (Unaudited)	<u>2022</u> HK\$'000 (Audited)
2022 Final of SGD0.05 (2021: SGD 0.05) per ordinary share paid	<u>9,490</u>	<u>9,424</u>

Subsequent to the end of the reporting period, final dividend in respect of the year ended 31 December 2023 of SGD 0.05 per share has been proposed by the directors and is subject to approval by the shareholder at the forthcoming general meeting.

10. **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit for the six months ended 31 December 2023 attributable to owners of the Company of approximately HK\$22,017,000 (unaudited) (H2 2022: HK\$20,118,000 (unaudited)) by the weighted average number of ordinary shares of 32,327,400 (H2 2022: 32,327,400) in issue during the period.

Basic earnings per share is calculated by dividing the profit for financial year ended 31 December 2023 attributable to owners of the Company of approximately HK\$42,531,000 (unaudited) (FY 2022: HK\$42,757,000 (audited)) by the weighted average number of ordinary shares of 32,327,400 (FY 2022: 32,327,400) in issue during the year.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the six months and financial year ended 31 December 2023 and 2022.

11. **NET ASSET VALUE**

	<b>Group</b>		<b>Company</b>	
	<u>31 December</u> <u>2023</u> HK\$ (Unaudited)	<u>31 December</u> <u>2022</u> HK\$ (Audited)	<u>31 December</u> <u>2023</u> HK\$ (Unaudited)	<u>31 December</u> <u>2022</u> HK\$ (Audited)
Net asset value per ordinary share	<u>23.08</u>	<u>22.28</u>	<u>12.48</u>	<u>12.77</u>

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12. **FINANCIAL ASSETS AT FVTPL**

	<b>Group</b>	
	<b><u>31 December</u></b> <b><u>2023</u></b> <b>HK\$'000</b> <b><u>(Unaudited)</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b> <b>HK\$'000</b> <b><u>(Audited)</u></b>
Financial assets at FVTPL:		
- Investments products	<b><u>122,319</u></b>	<b><u>120,932</u></b>

All financial assets at FVTPL are denominated in USD.

The investment products are listed financial instruments placed in the financial institutions in Hong Kong. The fair values of the investment products are derived from current redemption values quoted by financial institutions.

13. **PROPERTY, PLANT AND EQUIPMENT**

During the financial year, the Group acquired property, plant and equipment of approximately HK\$57,743,000 (2022: HK\$97,129,000), and disposal of HK\$348,000 (2022: HK\$701,000).

14. **CONTRACT ASSETS**

	<b>Group</b>	
	<b><u>31 December</u></b> <b><u>2023</u></b> <b>HK\$'000</b> <b><u>(Unaudited)</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b> <b>HK\$'000</b> <b><u>(Audited)</u></b>
Receivables from contracts with customers	<b>258,483</b>	<b>284,036</b>
Less: Allowance for impairment	<b><u>(127)</u></b>	<b><u>(368)</u></b>
	<b><u>258,356</u></b>	<b><u>283,668</u></b>

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15. **TRADE AND BILLS RECEIVABLES**

The aging analysis of trade and bills receivables based on the invoice date, and net of allowance, is as follows:

	<b>Group</b>	
	<b><u>31 December</u></b>	<b><u>31 December</u></b>
	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b><u>HK\$'000</u></b>	<b><u>HK\$'000</u></b>
	<b><u>(Unaudited)</u></b>	<b><u>(Audited)</u></b>
0 to 30 days	89,675	121,541
31 to 60 days	45,996	36,315
61 to 90 days	9,654	15,408
91 to 180 days	4,890	12,991
181 to 365 days	24	317
Over 365 days	<u>7,735</u>	<u>11,726</u>
	157,974	198,298
Less: Allowance for doubtful debts	<u>(7,860)</u>	<u>(12,154)</u>
	<u><u>150,114</u></u>	<u><u>186,144</u></u>

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16. **BORROWINGS AND DEBT SECURITIES**

	<b>Group</b>	
	<b><u>31 December</u></b> <b><u>2023</u></b> <b>HK\$'000</b> <b><u>(Unaudited)</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b> <b>HK\$'000</b> <b><u>(Audited)</u></b>
Trust receipts and import loans, secured	210,080	251,140
Term loans, secured	<u>74,111</u>	<u>67,792</u>
	<b><u>284,191</u></b>	<b><u>318,932</u></b>

	<b>Group</b>	
	<b><u>31 December</u></b> <b><u>2023</u></b> <b>HK\$'000</b> <b><u>(Unaudited)</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b> <b>HK\$'000</b> <b><u>(Audited)</u></b>
<b>Amount repayable in one year or less, or on demand (secured)</b>	275,191	303,932
<b>Amount repayable after one year (secured)</b>	<u>9,000</u>	<u>15,000</u>
	<b><u>284,191</u></b>	<b><u>318,932</u></b>

**Details of any collaterals**

As at 31 December 2023, the Group's banking facilities for bills payables, trust receipts and import loans, and term loans are secured by cross corporate guarantees executed by the group companies.

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17. **SHARE CAPITAL**

	<b>Group and Company</b>	
	Number of shares	Amount HK\$
	<u>                    </u>	<u>                    </u>
Authorised:		
Ordinary shares of HK\$7.50 (31 December 2022: HK\$7.50) each		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	<u>100,000,000</u>	<u>750,000,000</u>
Issued and fully paid:		
Ordinary shares of HK\$7.50 (31 December 2022: HK\$7.50) each		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	<u>32,327,400</u>	<u>242,455,500</u>

As at 31 December 2023 and 2022, there were no outstanding share options / warrants / convertible securities / treasury shares.

During the financial year ended 31 December 2023, the Company did not allot nor issue any shares, nor grant any share options.

During the financial year ended 31 December 2023, the Company did not buy back any share of the Company by the way of market acquisition and cancelled.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

- 1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the six months ended 31 December 2023, the Company did not allot nor issue any shares, nor grant any share options.

During the six months ended 31 December 2023, the Company did not buy back any share of the Company by the way of market acquisition and cancelled.

As at 31 December 2023 and 31 December 2022, there were no outstanding share options / warrants / convertible securities / treasury shares.

- 1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

<i>Date</i>	<i>Number of shares of HKD7.50 each</i>
<i>31 December 2023</i>	<i>32,327,400</i>
<i>31 December 2022</i>	<i>32,327,400</i>

- 1(iii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

At 31 December 2023, the Company did not buy back any share of the Company by the way of market acquisition and cancelled.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.



**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

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**4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The Group has adopted the same accounting policies and methods of computation for the current reporting period as those used in the audited financial statements for the year ended 31 December 2022.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted all the new and revised International Financial Reporting Standards (“IFRSs”) that are relevant to its operations and effective for the accounting period beginning on 1 January 2023. The adoption of these new and revised IFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current period.

**6. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Profit and Loss**

**Revenue**

The Group’s overall revenue decreased by HK\$228.2 million or 17.0%, from HK\$1,341.4 million in FY 2022 to HK\$1,113.2 million in FY 2023. The decrease in revenue was mainly due to the reduced orders of some customers arising from slower pace of macroeconomic recovery.

**Gross profit and gross profit margin**

In FY 2023, the Group’s gross profit decreased by 10.1% or HK\$14.4 million, generating gross profit margin of 11.5% (FY 2022: 10.7%). This increase in gross profit margin was mainly due to the personnel optimisation and production management.

**Other income**

The Group’s other income increased by 30.9% or HK\$8.5 million, from HK\$27.6 million in FY 2022 to HK\$36.1 million in FY 2023. This was mainly due to fair value recovery of FVTPL.

**Selling and distribution expenses**

The Group’s selling and distribution expenses decreased by 34.1% or HK\$6.3 million, from HK\$18.6 million in FY 2022 to HK\$12.3 million in FY 2023. This was mainly due to the decreased sale commission expenses and import & export fees which is the consequence of revenue decrease recognised and variations in the destinations of product distribution.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2****Administrative expenses**

The Group's administrative expenses increased by 8.4% or HK\$5.8 million, from HK\$68.4 million in FY 2022 to HK\$74.2 million in FY 2023. This was mainly due to corporate management fee paid to Mayuanda for plush toys production management, higher directors' fees and increased travel to Indonesia in FY2023 by personnel involved in the expansion of manufacturing operations there.

**Finance costs**

Finance costs increased by 29.1% or HK\$6.6 million, from HK\$22.7 million in FY 2022 to HK\$29.3 million in FY 2023, mainly due to increased interest rate in FY 2023.

**Income tax expenses**

Income tax expense decreased 64.9% or HK\$11.7 million, from HK\$18.0 million in FY 2022 to HK\$6.3 million in FY 2023. This was mainly due to the profit before tax decrease and under-provision of tax expenses from prior years recognised in 2022.

**Balance Sheet****Non-current assets**

The Group's non-current assets stood at HK\$561.5 million as at 31 December 2023, decreased by 0.5% or HK\$2.6 million, from HK\$564.1 million at 31 December 2022. This was due to an increase in capital expenditure on lands of HK\$35.3 million invested in Indonesia recognised as deposit paid and net new property, plant and equipment and right-of-use assets of HK\$64.9 million for manufacturing operations, which were partially offset by total depreciation and exchange difference of HK\$102.8 million.

**Current assets**

The Group's current assets stood at HK\$869.5 million as at 31 December 2023, a decrease of HK\$109.0 million or 11.1%, from HK\$978.5 million as at 31 December 2022, mainly due to:

- a decrease in contract assets of HK\$25.3 million;
- a decrease in inventories of HK\$5.1 million;
- a decrease in trade and bills receivables of HK\$36.0 million;
- a decrease in prepayments, deposits and other receivables of HK\$38.3 million; and
- a decrease in bank and cash balances of HK\$5.7 million;

which were partially offset by:

- an increase in financial assets at FVTPL of HK\$1.4 million.

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED**  
**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

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**Current liabilities**

The Group's current liabilities stood at HK\$633.6 million at 31 December 2023, decreased by HK\$121.0 million or 16.0%, from HK\$754.6 million at 31 December 2022, mainly due to:

- a decrease in current tax liabilities of HK\$3.6 million
- a decrease in trade and bills payables of HK\$51.7 million;
- a decrease in accruals and other payables of HK\$39.7 million; and
- a decrease in short-term borrowings of HK\$28.7 million to finance working capital requirements;

which were partially offset by:

- an increase in lease liabilities of HK\$2.7 million.

**Non-current liabilities**

The Group's non-current liabilities stood at HK\$51.3 million as at 31 December 2023, a decrease of HK\$16.6 million or 24.4%, from HK\$67.9 million as at 31 December 2022 mainly due to decreases in lease liabilities of HK\$15.7 million, deferred tax liabilities of HK\$2.7 million and long-term borrowings of HK\$6.0 million, which were partially offset by an increase in redemption liability of HK\$7.8 million.

**Cash Flow Analysis**

As at 31 December 2023, the Group's cash resources of HK\$126.4 million are considered adequate for current operational needs. The net decrease in cash and cash equivalents of HK\$4.6 million held by the Group comprised:

- Net cash generated from operating activities of HK\$135.3 million to finance the working capital needs;
- Net cash used in investing activities of HK\$88.5 million mainly due to additions of deposit paid for new lands in Indonesia, property, plant and equipment; and
- Net cash used in financing activities of HK\$51.4 million, mainly due to the repayment of loans.

**7. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

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**8. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group demonstrated resilience in 2023 in the face of economic headwinds and uncertainties, arising from escalating geopolitical tensions as well as sustained inflationary pressures. Our resilience is marked by our customer-driven philosophy of prioritising quality management with sustainable material applications and strong relationships with existing customers to drive a stable order flow. As we navigated the challenges, we continued to proactively pursue potential new customers to expand market reach and diversify both our customer base and product range.

During the year under review, the Group continued to reap benefits from operational optimisation. We had further strengthened both our operational capabilities and capacity with the commencement of paper and plush toys production in Indonesia in February and September respectively. In collaboration with an established plush toys manufacturer, we diversified into plush toy production, employing approximately 1,500 employees in our new plush toys manufacturing facilities, enlarging our pool of talents and workers in the Group to over 10,000 as at end 2023 compared to around 7,800 in 2022.

The Group's sustainable manufacturing journey is gaining momentum. With the increasing use of green raw materials, the Group intends to dedicate greater focus and attention to its sustainable manufacturing segment, attesting to our commitment to sustainable manufacturing. This will also facilitate the Group in unlocking new financing opportunities with financial institutions to scale our business ambitions.

Moving ahead, to cater to increasing demand, the Group plans to further expand our plush toys manufacturing facilities in Indonesia, targeted to be completed by end 2024, barring any unforeseen circumstances. The Group has placed deposits to purchase approximately 130,000 square metres of additional land, which will double our manufacturing capacity in Indonesia. To enhance supply chain resilience, the Group's Procurement Team has identified potential material suppliers, primarily in Indonesia, Taiwan, South Korea and Vietnam and will undertake due diligence to ensure their adherence to quality standards and regulatory requirements. The Group will also leverage on its newly-established subsidiary in Singapore, Combine Will (Singapore) Pte. Ltd., to serve as its business hub in South East Asia to enhance customer serving efficiency and tap into new opportunities for growth.

With all the above, we believe the Group has strengthened our competitive edge and is well-positioned to tap into business opportunities with both existing and potential new customers.

The Group remains committed to prioritising the attainment of our ESG targets and incorporating a DE&I approach into our overarching business strategy, encompassing three crucial business driver areas: compliance & risk management, employer of choice and competitive advantage, to deliver sustainable value to all stakeholders in our growth journey.

The Group is also in active discussions with potential new customers which will further diversify our product range and customer base. Barring unforeseen circumstances, we are optimistic that our marketing efforts will bear fruit in the coming years.

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**9. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	5 cents per ordinary share
Tax Rate	Not applicable

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Yes. A final tax-exempt one-tier dividend of 5.0 Singapore cents per ordinary share was previously declared in respect of the financial year ended 31 December 2022.

**(c) Date payable**

Subject to approval by shareholders at the next Annual General Meeting and to be announced at a later date.

**(d) Books closure date**

Subject to approval by shareholders at the next Annual General Meeting and to be announced at later date.

**(e) If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Final dividend has been recommended for the current period reported on.

**10. If the group has obtained a general mandate from shareholders of IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained for the current period reported on.

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11. **Segmented revenue and results for geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Revenue of geographical segments of principal markets are analyzed by location of customers

	<b>FY2023</b>		<b>FY2022</b>		<b>Change</b>
	<b>HKS'000</b>	<b>%</b>	<b>HKS'000</b>	<b>%</b>	<b>%</b>
Asia	1,079,108	96.9	1,189,441	88.7	(9.3)
Europe	34,066	3.1	151,911	11.3	(77.6)
<b>Total</b>	<b>1,113,174</b>	<b>100.0</b>	<b>1,341,352</b>	<b>100.0</b>	<b>(17.0)</b>

12. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Para 6 above.

13. **A breakdown of group sales.**

	<b>FY2023</b>	<b>FY2022</b>	<b>Change</b>
	<b>HKS'000</b>	<b>HKS'000</b>	<b>%</b>
(a) Sales reported for first half year	511,068	608,581	(16.0)
(b) Operating profit after tax before deducting minority interests reported for first half year	20,514	22,639	(9.4)
(c) Sales reported for second half year	602,106	732,771	(17.8)
(d) Operating profit after tax before deducting minority interests reported for second half year	22,017	20,118	9.4

14. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	<b>FY2023</b>	<b>FY2022</b>
	<b>(subject to shareholders' approval)</b>	
	<b>S\$</b>	<b>S\$</b>
<b>Ordinary</b>	1,616,370	1,616,370
<b>Preference</b>	N/A	N/A
<b>Total:</b>	<b>1,616,370</b>	<b>1,616,370</b>

**COMBINE WILL INTERNATIONAL HOLDINGS LIMITED  
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**15. Interested Person Transactions (“IPTs”)**

	<b>Aggregate value of all interested person transaction during the year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transaction conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
	<b>HK\$’000</b>	<b>HK\$’000</b>
	N/A	N/A

**16. Use of IPO Proceeds**

All IPO proceeds had been fully utilized in 2011.

**17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company for the financial year ended 31 December 2023.

**18. Undertakings from Directors and Executive Officers under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1).

**19. Negative Assurance Confirmation Pursuant To Rule 705(5) of the Listing Manual**

We, Tam Jo Tak, Dominic and Chiu Hau Shun, Simon, being two Directors of Combine Will International Holdings Limited (the “Company”), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the six months period ended 31 December 2023 to be false or misleading in any material respect.

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**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

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On behalf of the Board of Directors,

**Tam Jo Tak, Dominic**  
**Executive Chairman**

**Chiu Hau Shun, Simon**  
**CEO & Executive Director**

**BY ORDER OF THE BOARD**

**Chiu Hau Shun, Simon**  
**CEO & Executive Director**

29 February 2024