



Combine Will International Holdings Limited

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

Press Release

**Challenging Business Conditions Push Combine Will to a
HK\$20.5 Million Loss for 4Q FY2016**

- Improvement plans on productivity and restructuring in action
- New customer and products developed to enhance financial performance

FINANCIAL HIGHLIGHTS

HK\$ 'mil	FY 2016	FY 2015	%Change	Q4 2016	Q4 2015	%Change
Revenue	1,191.0	1,967.6	(39.5)	261.0	401.2	(35.0)
Gross Profit	65.6	170.2	(61.5)	12.0	36.7	(67.3)
Gross Margin (%)	5.5	8.7	(36.8)	4.6	9.1	(49.5)
Profit/(loss) from Operations	(21.5)	42.1	(151.1)	(17.4)	10.2	(270.6)
Profit/(loss) Before Tax	(36.6)	21.2	(272.6)	(20.6)	5.7	(461.4)
Profit/(loss) After Tax	(37.6)	17.0	(321.2)	(20.5)	2.2	(1,031.8)
Basic EPS (cents)	(109.1)	53.5	(303.9)	(60.5)	9.8	(717.3)

Singapore, 23 Feb 2017 – 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**”) and Hong Kong, reported a net loss of HK\$20.5 million for its fourth quarter ended December 31, 2016 (“**4Q2016**”). For the full financial year (“**FY2016**”), the Company suffered a loss of HK\$38 million. This is the Company’s first full year loss since its listing on the Singapore Exchange in 2008.



This is largely due to a 35.0% lower revenue to HK\$261.0 million in 4Q2016, from HK\$401.2 million the corresponding quarter the previous year. For FY2016, the Company's topline declined 39.5% to HK\$1.2 billion, from HK\$2.0 billion the previous year.

In 4Q2016 the ODM/OEM segment suffered a 39.1% fall in sales, due to a significant decrease in orders from key customers as a result of challenging macroeconomic environment. Moulds and Tooling, however, recorded a 62.5% increase in revenue, mainly due to recovery from the comparative low for the corresponding period in the previous year.

The Company's performance was further exacerbated by pressure on fixed factory overhead and operating costs. Hence, the Company could not enjoy the economies of scale it enjoyed previously.

Company's new plant in Sragen, Indonesia is currently under construction, with pilot production run to be starting in the second half of the year. The Company will enjoy lower costs of production and reap better economies of scale. As and when, the new factory growing into full commercial operations.

Mr Simon Chiu, Executive Director of Combine Will said: ***"Notwithstanding the Company's weak performance in FY2016, improvement plans are in full swing, in terms of productivity enhancement, new product development and wooing quality new customers. These measures will help to mitigate the challenging business operating conditions. Our fundamentals and cash position remain sound and we are well-positioned to work towards a turnaround in FY2017."***



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 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 six manufacturing facilities in Dongguan and Heyuan, Guangdong Province as well as our latest plant in Guangxi Province.

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