PLASTOFORM HOLDINGS LIMITED
(Incorporated in Bermuda)
(Co. Reg. No: 34171)

UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2016

The Directors of Plastoform Holdings Limited wish to announce the following unaudited results of the Group for full year ended 31 December 2016.

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income (in HK$'000)

	Group					
	Three Months Ended 31 December			Year Ended 31 December		
	2016	2015	**%**	**2016**	2015	**%**
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Revenue	**91,492**	88,583	3.3%	**248,131**	281,841	(12.0%)
Cost of sales	**(67,262)**	(61,417)	9.5%	**(194,816)**	(214,618)	(9.2%)
Gross Profit	**24,230**	27,166	(10.8%)	**53,315**	67,223	(20.7%)
Other operating income	**812**	276	N/M	**1,890**	996	89.8%
Selling and distribution expenses	**(3,601)**	(2,754)	30.8%	**(11,454)**	(15,516)	(26.2%)
General and administrative expenses	**(11,060)**	(14,768)	(25.1%)	**(50,150)**	(62,842)	(20.2%)
Profit/ (loss) before income tax	**10,381**	9,920	4.7%	**(6,399)**	(10,139)	(36.9%)
Income tax expense	**-**	(597)	N/M	**(1)**	(971)	(99.9%)
Profit/ (loss) for the period	**10,381**	9,323	11.4%	**(6,400)**	(11,110)	(42.4%)
Other comprehensive income/(loss) for the period, net of tax:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations (at nil tax)	**(2,014)**	(1,645)	22.4%	**(3,420)**	(3,807)	(10.2%)
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	**(2,014)**	(1,645)	22.4%	**(3,420)**	(3,807)	(10.2%)
Total comprehensive profit/(loss) attributable to owners of the Company	**8,367**	7,678	9.0%	**(9,820)**	(14,917)	(34.2%)

1(a)(ii) Profit/ (loss) before tax is arrived at after charging/(crediting) the following significant items:

	Group					
	Three Months Ended 31 December			Year Ended 31 December		
	2016	2015	%	**2016**	2015	%
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Interest income	**(5)**	(10)	(50.0%)	**(19)**	(48)	(60.4%)
Depreciation of plant and equipment	**1,274**	7,297	(82.5%)	**4,403**	11,068	(60.2%)
Impairment loss on trade receivables	**-**	69	N/M	**(35)**	3,342	N/M
Net exchange gain	**(1,627)**	(285)	N/M	**(2,376)**	(3,034)	(21.7%)

N/M: Not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position (in HK$'000)

	Group		Company	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
ASSETS				
Non-current assets				
Plant and equipment	**7,116**	8,952	**-**	-
Intangible asset – club memberships	**690**	690	**-**	-
Investments in subsidiaries	**-**	-	**72,889**	78,608
	7,806	9,642	**72,889**	78,608
Current assets				
Inventories	**17,155**	28,250	**-**	-
Trade receivables	**73,393**	59,479	**-**	-
Deposits, prepayments and other receivables	**10,204**	9,766	**97**	97
Amount due from subsidiaries	**-**	-	**71,064**	74,983
Bank deposit pledged	**10,390**	11,093	**-**	-
Cash and cash equivalents	**50,808**	71,145	**4,820**	6,927
	161,950	179,733	**75,981**	82,007
Total assets	**169,756**	189,375	**148,887**	160,615
Current liabilities				
Trade payables	**61,216**	63,403	**-**	-
Other payables and accruals	**9,844**	14,176	**397**	738
Amount due to subsidiaries	**-**	-	**2,828**	2,828
Amount due to a shareholder	**731**	731	**731**	731
Tax payable	**-**	587	**-**	-
	71,791	78,897	**3,956**	4,297
Net current assets	**90,159**	100,836	**72,025**	77,710
Net assets	**97,965**	110,478	**144,914**	156,318
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	**20,250**	20,250	**20,250**	20,250
Share premium	**197,502**	197,502	**197,502**	197,502
Treasury share	**(1,686)**	(1,686)	**(1,686)**	(1,686)
Share option reserve	**594**	633	**594**	633
Foreign exchange translation reserve	**(6,722)**	(3,302)	**-**	-
Accumulated losses	**(111,973)**	(102,919)	**(71,746)**	(60,381)
Total equity	**97,965**	110,478	**144,914**	156,318

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Amount repayable in one year or less, or on demand

As at 31/12/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31/12/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	Nil	Nil

Details of any collateral

Not applicable.

1(c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows (in HK$'000)

	Group			
	Three Months Ended		Year Ended	
	31/12/2016	31/12/2015	**31/12/2016**	31/12/2015
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash flow from operating activities				
Profit/ (loss) before income tax	**10,381**	9,920	**(6,399)**	(10,139)
Adjustments for:				
Depreciation of plant and equipment	**1,274**	7,297	**4,403**	11,068
Gain on liquidation of subsidiaries	**-**	(152)	**-**	(152)
(Reversal)/ provision for stock obsolescence	**(1,124)**	3,414	**648**	4,949
(Reversal)/ impairment loss on trade receivables	**-**	69	**(35)**	3,342
Loss on disposal of plant and equipment	**-**	-	**-**	46
Plant and equipment written off	**909**	-	**909**	-
Interest income	**(5)**	(10)	**(19)**	(48)
Operating cash flows before working capital changes	**11,435**	20,538	**(493)**	9,066
Changes in working capital:				
Inventories	**17,161**	11,003	**10,447**	15,870
Trade and other receivables	**(8,035)**	(7,414)	**(14,317)**	39,553
Trade and other payables	**(8,984)**	(9,395)	**(6,519)**	(47,807)
Cash generated from/(used in) operations	**11,577**	14,732	**(10,882)**	16,682
Interest received	**5**	10	**19**	48
Income tax paid	**-**	(25)	**(588)**	(863)
Net cash generated from/(used in) operating activities	**11,582**	14,717	**(11,451)**	15,867
Cash flows from investing activities				
Purchases of plant and equipment	**(855)**	(1,452)	**(4,829)**	(4,515)
Proceeds from disposal of plant and equipment	**-**	-	**-**	6
Net cash used in investing activities	**(855)**	(1,452)	**(4,829)**	(4,509)
Cash flows from financing activities				
Purchase of treasury shares	**-**	**-**	**-**	(166)
Dividend paid	**-**	-	**(2,693)**	(2,677)
Net cash used in financing activities	**-**	-	**(2,693)**	(2,843)
Net increase in cash and cash equivalents	**10,727**	13,265	**(18,973)**	8,515
Deposit pledged	**-**	(11,093)	**-**	(11,093)
Effect of cash and cash equivalent denominated in foreign currencies	**(602)**	(1,471)	**(1,364)**	(1,530)
Cash and cash equivalents at beginning of the period	**40,683**	70,444	**71,145**	75,253
Cash and cash equivalents at end of the period	**50,808**	71,145	**50,808**	71,145

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY (in HK$'000)

Group – 4Q 2016	Share capital	Share premium	Treasury share	Share option reserve	Translation reserve	Accumulated losses	Total equity
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
For the three months ended 31 December 2016							
Balance as at 1 October 2016	20,250	197,502	(1,686)	633	(4,708)	(122,393)	89,598
Profit for the period	-	-	-	-	-	10,381	10,381
Transfer to accumulated losses upon lapse of share option	-	-	-	(39)	-	39	-
Other comprehensive income for the period	-	-	-	-	(2,014)	-	(2,014)
Balance as at 31 December 2016	**20,250**	**197,502**	**(1,686)**	**594**	**(6,722)**	**(111,973)**	**97,965**
Group – 4Q 2015							
For the three months ended 31 December 2015							
Balance as at 1 October 2015	20,250	197,502	(1,686)	633	(1,657)	(112,242)	102,800
Profit for the period	-	-	-	-	-	9, 323	9, 323
Other comprehensive income for the period	-	-	-	-	(1,645)	-	(1,645)
Balance as at 31 December 2015	**20,250**	**197,502**	**(1,686)**	**633**	**(3,302)**	**(102,919)**	**110,478**

Company – 4Q 2016	Share capital	Share premium	Treasury share	Share option reserve	Accumulated losses	Total equity
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**	**HK$'000**
For the three months ended 31 December 2016						
Balance as at 1 October 2016	20,250	197,502	(1,686)	633	(65,266)	151,433
Loss for the period	-	-	-	-	(6,519)	(6,519)
Transfer to accumulated losses upon lapse of share option	-	-	-	(39)	39	-
Balance as at 31 December 2016	**20,250**	**197,502**	**(1,686)**	**594**	**(71,746)**	**144,914**
Company – 4Q 2015						
For the three months ended 31 December 2015						
Balance as at 1 October 2015	20,250	197,502	(1,686)	633	(103,117)	113,582
Profit for the period	-	-	-	-	42,736	42,736
Balance as at 31 December 2015	**20,250**	**197,502**	**(1,686)**	**633**	**(60,381)**	**156,318**

1(d)(ii) 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.

Share Capital

Details of change in the Company's share capital since the last reported period are as follows:-

	Group and the Company	
	Number of Ordinary Shares	Share capital and premium (HK$'000)
As at 31 December 2015 and 31 December 2016 (excluding treasury shares)	40,146,193	216,066

The Company has 353,800 treasury shares as at 31 December 2016 (31 December 2015: 353,800 treasury shares).

Share Options

The numbers of shares that may be issued on conversion of all outstanding options under performance share plan are as follows:-

	As at 31/12/2016	As at 31/12/2015
Outstanding options	35,000	39,000

4,000 options were lapsed as an employee left the Company at 31 December 2016.

1(d)(iii) 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.

	As at 31/12/2016	As at 31/12/2015
Total number of issued shares excluding treasury shares	40,146,193	40,146,193

1(d)(iv) 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.

Not applicable.

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 external auditor.

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

Not applicable.

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

There are a number of new or revised International Financial Reporting Standards ("IFRSs") and related interpretations promulgated by International Financial Reporting Interpretations Committee ("IFRICs") that are effective for accounting periods beginning on or after 1 January 2016. The adoption of these new IFRSs did not have any material impact on the financial information of the Group for period ended 31 December 2016. Save as aforesaid, the accounting policies and methods of computation used in the preparation of the financial information of the Group for the period ended 31 December 2016 are the same as those used in the annual financial statements of the Group for the year ended 31 December 2015.

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 the new or amended IFRSs and IFRICs that are mandatory for application for financial periods beginning on or after 1 January 2016. The adoption of these new/revised IFRSs and IFRICs did not result in substantial changes to the Group's accounting policies nor any significant impact on the consolidated financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Year ended 31/12/2016	**Year ended 31/12/2015**
Earnings per ordinary share based on the net profit for the period		
(a) Based on weighted average number of ordinary shares on issue (HK$ cents);	(15.9)	(27.6)
(b) On a fully diluted basis (HK$ cents)	(15.9)	(27.6)
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	40,146,193	40,195,663
Effective of potentially dilutive ordinary shares – Share options	35,000	39,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,181,193	40,234,663

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/12/2016	**31/12/2015**	**31/12/2016**	**31/12/2015**
Net asset value per ordinary shares based on issued share capital (HK$)	2.4	2.8	3.6	3.9
Number of ordinary shares in issuance excluding treasury shares	40,146,193	40,146,193	40,146,193	40,146,193

Net asset value per ordinary share at the end of the financial periods presented has been computed based on the combined net assets of the Group as at the respective reporting period and the number of ordinary shares at 31 December 2016 of 40,146,193 shares (31 December 2015: 40,146,193 shares).

8. 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.

4Q 2016 vs 4Q 2015

Turnover

Group turnover increased by 3.3% or HK$2.9 million from HK$88.6 million in 4Q 2015 to HK$91.5 million in 4Q 2016.

Gross profit and margin

Group's gross profit decreased by HK$3.0 million from HK$27.2 million in 4Q 2015 to HK$24.2 million in 4Q 2016. The overall decrease gross profit margin from 30.7% in 4Q 2015 to 26.5% in 4Q 2016 was mainly due to the increase of material costs.

Selling and distribution expenses

Selling and distribution expenses increased by 30.8% or HK$0.8 million from HK$2.8 million in 4Q 2015 to HK$3.6 million in 4Q 2016 mainly due to reclassification of staff costs from R&D team (G&A expenses).

General and administrative expenses

General and administrative expenses decreased by 25.1% or HK$3.7 million from HK$14.8 million in 4Q 2015 to HK$11.1 million in 4Q 2016 mainly due to reclassification, better management of staff costs and also an increase in exchange gain.

Profit before income tax

Profit before income tax increased by 11.4% or HK$0.5 million from profit of HK$9.9 million in 4Q 2015 to HK$10.4 million in 4Q 2016.

FY2016 vs FY2015

Turnover

FY2016 revenue decreased by 12.0% or HK33.7 million from HK$281.8 million in FY2015 to HK$248.1 million in FY2016. This decrease was due to end of product life for a major product line and a number of major customers' exiting the audio business.

Gross profit and margin

Cost of sales decreased by 9.2% or HK$19.8 million from HK$214.6 million in FY2015 to HK$194.8 million in FY2016 in line with the decrease in sales. The overall decrease in gross profit margin from 23.9% in FY2015 to 21.5% in FY2016 was mainly due to the increase of material costs.

Selling and distribution costs

Selling and Distribution costs decreased by 26.2% or HK$4.0 million from HK$15.5 million in FY2015 to HK$11.5 million in FY2016. The decrease was mainly due to a decrease in marketing expenses and better management of transportation expenses.

General and administrative expenses

General and administrative expenses decreased by 20.2% or HK$12.6 million from HK$62.8 million in FY2015 to HK$50.2 million in FY2016. The decrease was mainly due to reclassification and decrease of staff costs and general administrative expenses. Furthermore, there was no impairment loss on trade receivable recognized in 2016 as compared to HK$3.3 million recognized in 2015.

Loss before income tax

Loss before income tax decreased by HK$3.7 million from HK$10.1 million in FY2015 to HK$6.4 million in FY2016 mainly due to better management of general expenses and no impairment loss on trade receivables recognized in 2016.

Statement of Financial Position (31 December 2016 vs 31 December 2015)

Plant and equipment decreased HK$1.9 million from HK$9.0 million as at 31 December 2015 to HK$7.1 million as at 31 December 2016 was mainly due to fixed assets written off.

Inventories decreased HK$11.1 million from HK$28.3 million as at 31 December 2015 to HK$17.2 million as at 31 December 2016 was mainly due to better inventory management and in line with lower sales.

Trade receivables increased by HK$13.9 million from HK$59.5 million as at 31 December 2015 to HK$73.4 million as at 31 December 2016 was mainly due to longer credit terms extended to one major customer.

Trade payables slightly decreased by HK$2.2 million from HK$63.4 million as at 31 December 2015 to HK$61.2 million as at 31 December 2016 was mainly due to lower sales.

Statement of Cash Flows

Net cash used in operating activities increased by HK$27.4 million from HK$15.9 million inflow in FY2015 to HK$11.5 million outflow in FY2016 was due to increase of trade receivables and partially offset by decrease in inventory and trade payables.

As at 31 December 2016, the Group had cash and cash equivalents of HK$61.2 million (31 December 2015: HK$82.2 million) with no bank borrowings (FY2015: Nil).

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

The company has not provided any prospect statement.

10. 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's performance continues to be affected significantly by the competitive environment. In response, we are trying to step up our efforts to improve our customer relationships and products offering. We will do

our best to grow vertical audio brands. At the same time, we will expand horizontal business opportunities across future network audio, smart audio, social audio, HD audio across sports, fashion, smart home, toys and education sectors.

We are well positioned in the WiFi/Multi-room, high fidelity, voice recognition and voice assistant technological solutions. We will partner with branded customers that can complement us as an innovator, differentiator and market leader. We hope to find ways to increase market shares from our competitors in audio manufacturing industry.

Another market that we will consider is complementary products. We will innovate and design new products that would benefit from having quality audio and non-audio markets.

The Group will continue to be prudent in managing its operations in order to support long term business goals.

11. 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 HK dollars)	HK$0.045 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.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in HK dollars)	HK$0.0665 per ordinary share
Tax Rate	Not applicable

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or 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.

By geographical segments

Turnover of geographical segments of principal markets are analysed by destination of delivery of products

	FY2016 HK$'000	FY2015 HK$'000
United States of America	129,609	162,413
Europe	11,198	32,073
Asia	107,324	87,355
Total	248,131	281,841

14. 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 section 8 of part I above.

15. A breakdown of sales.

	FY2016 HK$'000	FY2015 HK$'000	% increase/ (decrease)
Turnover reported for first half year	80,518	120,736	(33.3%)
Operating loss after taxation before minority interest reported for first half year	(20,598)	(15,952)	29.1%
Turnover reported for second half year	167,613	161,105	4.0%
Operating profit/ (loss) after taxation before minority interest reported for second half year	14,198	4,842	

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

	FY2016 HK$'000	FY2015 HK$'000
Ordinary	1,807	2,693
Preference	-	-
Total:	1,807	2,693

17. Interested Person Transactions ("IPTs")

The Company does not have a Shareholders' Mandate for Interested Person Transactions. There were no interested person transactions with amount exceeding S$100,000 for FY 2016.

18. Disclosure under Rule704 (13) of the SGX Listing Manual

The Company wishes to confirm that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director of the CEO or substantial shareholders of the Company.

19. Undertakings Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company hereby confirms that the undertakings as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual has been procured from all its Directors and Executive Officers.

BY ORDER OF THE BOARD

Liu Wai Man
Lisa Cheng
Company Secretaries
28 February 2017