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

UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2019

The Directors of Plastoform Holdings Limited wish to announce the following unaudited results of the Group for full year ended 31 December 2019.

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		
	2019	2018	**%**	**2019**	2018	**%**
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
CONTINUING OPERATIONS						
Revenue	**2,234**	2,778	(19.6%)	**14,722**	43,653	(66.3%)
Cost of sales	**(1,713)**	(1,807)	(5.2%)	**(11,771)**	(44,664)	(73.6%)
Gross Profit/(Loss)	**521**	971	(46.3%)	**2,951**	(1,011)	N/M
Other operating income	**615**	1,206	(49.0%)	**651**	1,930	(66.3%)
Selling and distribution expenses	**(260)**	(1,056)	(75.4%)	**(2,061)**	(5,431)	(62.1%)
General and administrative expenses	**(1,813)**	(2,329)	(22.2%)	**(9,586)**	(34,751)	(72.4%)
Finance cost	**(1)**	(2)	(50.0%)	**(2)**	(34)	(94.1%)
Loss before tax from continuing operations	**(938)**	(1,210)	(22.5%)	**(8,046)**	(39,297)	(79.5%)
Income tax expense	**-**	-		**(6)**	(6)	(0.0%)
Loss from continuing operations, net of tax	**(938)**	(1,210)	(22.5%)	**(8,052)**	(39,303)	(79.5%)
DISCONTINUED OPERATIONS						
Loss from discontinued operations, net of tax	**-**	(675)	(100.0%)	**-**	(29,445)	(100.0%)
Net effect on deconsolidation of subsidiary[a]	**-**	14,313	(100.0%)	**-**	14,313	(100.0%)
Profit/(Loss) for the year	**(938)**	12,428	N/M	**(8,052)**	(54,435)	(85.2%)
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)	**(16)**	(62)	(74.2%)	**37**	435	(100.0%)
Reclassification on deconsolidation of foreign operations (at nil tax)	**-**	2,275	(100.0%)	**-**	2,275	(100.0%)
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	**(16)**	2,213	N/M	**37**	2,710	(98.6%)
Total comprehensive profit/(loss) attributable to owners of the Company	**(938)**	14,641	N/M	**(8,015)**	(51,725)	(84.5%)

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		
	2019	2018	%	**2019**	2018	%
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
CONTINUING OPERATIONS						
Interest income	**-**	87	(100.0%)	**2**	89	(97.8%)
Depreciation of plant and equipment	**11**	6	83.3%	**27**	30	(10.0%)
Impairment/(reversal) loss on trade receivables	**(277)**	(480)	(42.3%)	**(1,131)**	10,693	N/M
Bad trade debts written off	**-**	-	N/M	**-**	618	(100.0%)
Impairment loss on assets	**901**	-	N/M	**901**	6	N/M
Net exchange gain/(loss)	**19**	38	(50.0%)	**(24)**	265	N/M
DISCONTINUED OPERATIONS						
Interest income	**-**	-	N/M	**-**	5	(100.0%)
Depreciation of plant and equipment	**-**	15	(100.0%)	**-**	86	(100.0%)
Impairment/(reversal) loss on trade receivables	**-**	(104)	(100.0%)	**-**	11,986	(100.0%)
Impairment loss on fixed assets	**-**	-	N/M	**-**	935	(100.0%)
Net exchange gain/(loss)	**-**	(42)	(100.0%	**-**	(1,071)	(100.0%)

N/M: Not meaningful

Note

a. On 17 September, 2018, the company announced that as part of the Group's continuing efforts to restructure its business and improve its operational efficiency and cost effectiveness, it commenced to undertake the closure of the production facility of its wholly-owned subsidiary, Plastoform Electronics (Shenzhen) Company Ltd ("PESZ") in China. On 19 November, 2018, Shenzhen Guang Peng CPA Firm has been nominated by the Court in PRC, to act as the liquidator of PESZ, for the purposes of winding up the affairs of PESZ. Accordingly, the comparative figures have been presented to report the profit and loss items of the continuing and discontinued operations separately.

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	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
ASSETS				
Non-current assets				
Plant and equipment	**322**	3	**-**	-
Intangible asset – club memberships	**-**	460	**-**	-
Investments in subsidiaries	**-**	-	**-**	4,751
	322	463	**-**	4,751
Current assets				
Inventories	**207**	976	**-**	-
Trade receivables	**-**	1,707	**-**	-
Deposits, prepayments and other receivables	**1,011**	3,070	**37**	183
Cash and cash equivalents	**302**	8,573	**97**	856
	1,520	14,326	**134**	1,039
Total assets	**1,842**	14,789	**134**	5,790
Current liabilities				
Trade payables	**-**	615	-	-
Other payables and accruals	**6,748**	6,500	**6,087**	5,445
Contract liabilities	**3,117**	7,834	**-**	-
Amount due to subsidiaries	**-**	-	**4,146**	2,830
Amount due to shareholders	**883**	731	**883**	731
	10,748	15,680	**11,116**	9,006
Net current assets/(liabilities)	**(9,298)**	(1,354)	**(10,982)**	(7,967)
Net assets/(liabilities)	**(8,906)**	(891)	**(10,982)**	(3,216)
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	**(1,776)**	(1,776)	**(1,776)**	(1,776)
Share option reserve	**-**	261	**-**	261
Foreign exchange translation reserve	**(38)**	(76)	**-**	-
Accumulated losses	**(224,844)**	(217,052)	**(226,958)**	(219,453)
Total equity	**(8,906)**	(891)	**(10,982)**	(3,216)

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 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	152*	Nil	Nil

*On 25 October, 2019, loan agreements were made with shareholders, namely Tse Kin Man, Chiu Kwong Fai and Tan Yong Hui, Brian, in which they agreed to grant an unsecure loan of HK$50,000 with interest of 6% p.a. respectively on 30 October, 2019, totally HK$150,000 and will be repaid within one year from the date of receipt of the loan. The loan was used mainly for working capital of the Company.

Amount repayable after one year

As at 31/12/2019		As at 31/12/2018	
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	
	31/12/2019	31/12/2018	**31/12/2019**	31/12/2018
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash flow from operating activities				
Loss before income tax from continuing operations	**(938)**	(1,210)	**(8,046)**	(39,297)
Loss before income tax from discontinued operations	**-**	13,638	**-**	(15,132)
Adjustments for:				
Net effect on deconsolidation of subsidiary	**-**	(14,313)	**-**	(14,313)
Depreciation of plant and equipment	**11**	21	**27**	117
Gain on disposal of fixed assets	**-**	(385)	**-**	(843)
Impairment loss on assets	**441**	-	**441**	940
Impairment loss on Intangible asset	**460**	-	**460**	-
Provision/(reversal) for slow-moving stock	**-**	(4,313)	**(1,333)**	(15,042)
Inventory writtenoff	**-**	5,363	**-**	15,831
Bad debts writtenoff	**-**	-	**-**	618
Impairment/(reversal) loss on trade receivables	**(277)**	(585)	**(1,131)**	22,679
Plant and equipment written off	**-**	-	**-**	18
Interest expenses	**1**	2	**1**	34
Interest income	**-**	(87)	**(2)**	(94)
Operating cash flows before working capital changes	**(302)**	(1,869)	**(9,583)**	(44,484)
Changes in working capital:				
Inventories	**23**	392	**2,102**	10,457
Trade and other receivables	**1,204**	(1,031)	**4,455**	24,794
Trade and other payables	**(422)**	(2,430)	**(367)**	(21,431)
Contract liabilities	**(854)**	2,811	**(4,716)**	2,046
Cash generated from/(used in) operations	**(351)**	(2,127)	**(8,109)**	(28,618)
Interest received	**-**	87	**2**	94
Income tax paid	**-**	-	**(6)**	(6)
Net cash used in operating activities	**(351)**	(2,022)	**(8,113)**	(28,530)
Cash flows from investing activities				
Purchases of plant and equipment	**(70)**	-	**(347)**	(940)
Proceeds from disposal of fixed assets	**-**	463	**-**	843
Disposal of subsidiary	**-**	(2,960)	**-**	(2,960)
Net cash used in investing activities	**(70)**	(2,497)	**(347)**	(3,057)
Cash flows from financing activities				
Shareholders' loan	**151**	-	**151**	-
Interest expenses	**(1)**	(2)	**(1)**	(34)
Net cash from/(used) in financing activities	**150**	(2)	**150**	(34)

Net decrease in cash and cash equivalents	**(271)**	(4,539)	**(8,310)**	(31,621)
Release of pledged bank deposit	**-**	-	**-**	-
Effect of cash and cash equivalent denominated in foreign currencies	**(15)**	(62)	**39**	476
Cash and cash equivalents at beginning of the period	**588**	13,174	**8,573**	39,718
Cash and cash equivalents at end of the period	**302**	8,573	**302**	8,573

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 2019	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 2019							
Balance as at 1 October 2019	20,250	197,502	(1,776)	261	(22)	(224,167)	(7,952)
Loss for the period	-	-	-		-	(938)	(938)
Transfer to accumulated losses upon lapse of share option				(261)		261	-
Other comprehensive income for the period	-	-	-	-	(16)	-	(16)
Balance as at 31 December 2019	**20,250**	**197,502**	**(1,776)**	**-**	**(38)**	**(224,844)**	**(8,906)**
Group – 4Q 2018							
For the three months ended 31 December 2018							
Balance as at 1 October 2018	20,250	197,502	(1,776)	391	(2,289)	(229,610)	(15,532)
Profit for the period	-	-	-	-	-	12,428	12,428
Transfer to accumulated losses upon lapse of share option				(130)		130	-
Other comprehensive income for the period	-	-	-	-	2,213	-	2,213
Balance as at 31 December 2018	**20,250**	**197,502**	**(1,776)**	**261**	**(76)**	**(217,052)**	**(891)**

Company – 4Q 2019	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 2019						
Balance as at 1 October 2019	20,250	197,502	(1,776)	261	(221,848)	(5,611)
Loss for the period	-	-	-		(5,371)	(5,371)
Transfer to accumulated losses upon lapse of share option				(261)	261	-
Balance as at 31 December 2019	**20,250**	**197,502**	**(1,776)**	**-**	**(226,958)**	**(10,982)**
Company – 4Q 2018						
For the three months ended 31 December 2018						
Balance as at 1 October 2018	20,250	197,502	(1,776)	391	(219,275)	(2,908)

Loss for the period	-	-	-		(308)	(308)
Transfer to accumulated losses upon lapse of share option				(130)	130	-
Balance as at 31 December 2018	**20,250**	**197,502**	**(1,776)**	**261**	**(219,453)**	**(3,216)**

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:-

Date	Type	Group and the Company	
		Number of Ordinary Shares	Shares capital and premium (HK$'000)
As at 31 December 2018 and 2019 (excluding treasury shares)		40,046,193	215,976

The Company has 453,800 treasury shares as at 31 December 2019 (31 December 2018: 453,800 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 31/12/2019	As at 31/12/2018
Outstanding options	-	4,000

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 31/12/2019	As at 31/12/2018
Total number of issued shares excluding treasury shares	40,046,193	40,046,193

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.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 2019. The adoption of these new IFRSs did not have any material impact on the financial information of the Group for period ended 31 December 2019. 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 2019 are the same as those used in the annual financial statements of the Group for the year ended 31 December 2019.

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 2019. 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.

CONTINUING OPERATIONS

	Group	
	12 months ended 31/12/2019	**12 months ended 31/12/2018**
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);	(20.1)	(98.1)
(b) On a fully diluted basis (HK$ cents)	(20.1)	(98.1)
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	40,046,193	40,046,193
Effective of potentially dilutive ordinary shares – Share options	-	4,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,046,193	40,050,193

DISCONTINUED OPERATIONS

	Group	
	Year ended 31/12/2019	**Year ended 31/12/2018**
Earnings per ordinary share based on the net profit for the period		
(b) Based on weighted average number of ordinary shares on issue (HK$ cents);	-	(73.5)
(b) On a fully diluted basis (HK$ cents)	-	(73.5)
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	40,046,193	40,046,193
Effective of potentially dilutive ordinary shares – Share options	-	4,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,046,193	40,050,193

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	
	31/12/2019	**31/12/2018**	**31/12/2019**	**31/12/2018**
Net asset value per ordinary shares based on issued share capital (HK$ cents)	(22.2)	(2.2)	(27.4)	(8.0)
Number of ordinary shares in issuance excluding treasury shares	40,046,193	40,046,193	40,046,193	40,046,193

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 2019 of 40,046,193 shares (31 December 2018: 40,046,193 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 2019 vs 4Q 2018

Continuing Operations

Turnover

Group turnover decreased by 19.6% or HK$0.6 million from HK$2.8 million in 4Q 2018 to HK$2.2 million in 4Q 2019. In 4Q 2019, sales was mainly contributed by the new licensing business started in early 2019, but was adversely affected by insufficient working capital and political as well as economical events in Hong Kong.

Gross profit and margin

Group's gross profit decreased by HK$0.5 million from HK$1.0 million in 4Q 2018 to HK$0.5 million in 4Q 2019 due to decline in sales and sales margin.

Other operating income

Other operating income decreased by HK$0.6 million from HK$1.2 million in 4Q 2018 to HK$0.6 million in 4Q 2019. In 4Q 2018, other operating income included a gain on disposal of fixed assets HK$0.4 million, but there was no any gain on disposal of fixed assets recognized in 4Q 2019.

Selling and distribution expenses

Selling and distribution expenses decreased by 75.4% or HK$0.8 million from HK$1.1 million in 4Q 2018 to HK$0.3 million in 4Q 2019, mainly due to the decrease in staff cost HK$0.6 million and transportation cost HK$0.2 million.

General and administrative expenses

General and administrative expenses decreased by 22.2% or HK$0.5 million from HK$2.3 million in 4Q 2018 to HK$1.8 million in 4Q 2019 mainly due to the decrease of staff costs HK$1.1 million, offset by the increase of impairment of assets HK$0.9 million.

Loss before income tax

Loss before income tax reduced by 22.5% or HK$0.3 million from HK$1.2 million in 4Q 2018 to HK$0.9 million in 4Q 2019 mainly attributed to decrease in operating costs, partially offset by decrease in gross profit and other operating income.

FY2019 vs FY2018

Continuing Operations

Turnover

FY2019 revenue decreased by 66.3% or HK29.0 million from HK$43.7 million in FY2018 to HK$14.7 million in FY2019. This significant decrease was attributed to downturn in the consumer audio industry. Our major ODM customers suffered financial difficulties and retreated from the audio market in 2018. On the other hand, sales from new licensing business started in FY2019 cannot compensate for the decrease in sale from ODM customers.

Gross profit and margin

Group's gross profit increased by HK$4.0 million from loss of HK$1.0 million in FY2018 to profit of HK$3.0 million in FY2019. The gross profit margin increased from negative margin to positive margin of 20.0%, mainly due to the increase of licensing sales with higher margin and stoppage of the loss arising from idle capacity in the production facility of PESZ since it shut down the operation from September 2018.

Other operating income

Other operating income decreased by 66.3% or HK$1.2 million from HK$1.9 million in FY2018 to HK$0.7 million in FY2019, mainly due to a gain on disposal of fixed assets HK$0.8 million recognized in FY2018, but only a gain on disposal of fixed assets HK$6,000 was recognized in FY2019.

Selling and distribution costs

Selling and Distribution costs decreased by 62.1% or HK$3.3 million from HK$5.4 million in FY2018 to HK$2.1 million in FY2019, mainly due to the decrease in staff costs HK$2.0 million and transportation cost HK$1.1 million.

General and administrative expenses

General and administrative expenses decreased by 72.4% or HK$25.2 million from HK$34.8 million in FY2018 to HK$9.6 million in FY2019, mainly due to the decrease in staff costs HK$9.5 million, director's emoluments HK$2.0 and impairment on trade receivable HK$11.8 million.

Loss before income tax

Loss before income tax decreased by 79.5% or HK$31.2 million from HK$39.3 million in FY2018 to HK$8.1 million in FY2019 mainly due to the improvement of sales margin and decrease in operating expenses.

Statement of Financial Position (31 December 2019 vs 31 December 2018)

Intangible asset – club memberships HK$0.5 million was fully impaired in FY2019.

Trade receivables decreased by HK$1.7 million to zero as at 31 December 2019 due to no credit sales granted to new licensing customers.

Contract liabilities decreased by HK$4.7 million from HK$7.8 million as at 31 December 2018 to HK$3.1 million as at 31 December 2019, mainly due to decrease of new licensing sales orders.

Amount due to shareholders increased by HK$0.2 million from HK$0.7 million as at 31 December 2018 to HK$0.9 million as at 31 December 2019, mainly due to loans of HK$150,000 granted by shareholders, namely Tse Kin Man, Chiu Kwong Fai and Tan Yong Hui, Brian on 30 October, 2019.

Statement of Cash Flows

Net cash used in operating activities decreased by HK$20.4 million from HK$28.5 million in FY2018 to HK$8.1 million in FY2019, mainly due to decrease in operating loss, but partially offset by decrease of working capital releasing from operation.

Net cash from investing activities increased by HK$0.2 million from used of HK$34,000 in FY2018 to HK$0.2 million in FY2019, mainly due to the grant of shareholders' loan HK$150,000 on 30 October, 2019.

As at 31 December 2019, the Group had cash and cash equivalents of HK$0.3 million (31 December 2018: HK$8.6 million) with no bank borrowings (FY2018: 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 sudden onset of COVID-19 pandemic infections, coming so soon after months of political protests in Hong Kong, severely impacted the economies of Hong Kong and China. As a result, most of our customers are unwilling to commit to new orders under the current challenging economic conditions. Furthermore, Monster, in trying to boost royalties, had continually added to their licensees in APEC and this resulted in greater completion for existing licensees. The incoming licensees are also offering much better payment terms.

Monster True Wireless (TWS) earbuds with Active Noise Cancellation (ANC) have been launched, we are closely monitoring the feedbacks from the market.

With the on-going corona virus and political situation in Hong Kong, the retailing market has been negatively impacted. As a result, we are not able to meet the forecasted sales results even though we have made significant effort to penetrate into the APAC market with Monster branded products. We are actively working toward funding and/or merger initiatives.

* Monster Inc. is now the world's leading manufacturer of high performance cables that connect audio/video components for home, car and professional use as well as computers and computer games. For details, please click the link below:

https://www.monsterstore.com/pages/about-monster.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Nil

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared and recommended for the year ended 31 December 2019 as the Company needs to reserve the funds for working capital.

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 analyzed by destination of delivery of products

CONTINUING OPERATIONS

	FY2019	FY2018

	HK$'000	HK$'000
United States of America	380	21,527
Europe	53	5,706
Asia	13,397	15,409
Others	892	1,011
Total	14,722	43,653

DISCONTINUED OPERATIONS

	FY2019 HK$'000	FY2018 HK$'000
Asia	-	3,041
Total	-	3,041

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

	FY2019 HK$'000	FY2018 HK$'000
Ordinary	-	-
Preference	-	-
Total:	-	-

16. 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 2019.

17. 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 or chief executive officer or substantial shareholder of the Company.

18. 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
Company Secretary
27 February 2020