

NEWS RELEASE

PLASTOFORM ACHIEVES PROFIT TURNAROUND TO HK\$6.8 MILLION WITH 29.1% INCREASE IN REVENUE TO HK\$461.1 MILLION IN FY2014

- *Second consecutive quarter of turnaround, achieving 4QFY2014 net profit of HK\$7.3 million*
- *Gross margin up 8.0 percentage points to 21.4% in FY2014 due to better inventory management, increase of turnover, improvement of labour efficiency and tight control on overhead expenses.*
- *To tap on continued market growth in wireless audio by investing in WiFi and Bluetooth technologies*
- *Remains debt free with cash and cash equivalents of HK\$75.3 million as at December 31, 2014*
- *Proposes a final dividend of HK\$0.00133 per ordinary share*

Financial Highlights

	For the three months ended December 31			For the full year ended December 31		
HK\$ million	4Q 2014	4Q 2013	Change (%)	FY2014	FY2013	Change (%)
Revenue	141.0	132.0	6.8	461.1	357.2	29.1
Gross profit	35.4	19.8	78.4	98.6	47.8	106.1
Gross profit margin (%)	25.1	15.0	10.1 ppt	21.4	13.4	8.0 ppt
Profit/(loss) before tax	7.8	(4.9)	NM	7.3	(32.0)	NM
Profit/(loss) for the period	7.3	(4.9)	NM	6.8	(32.1)	NM

Note: ppt – Percentage points; N.M. – Not meaningful

Singapore, February 27, 2015 – PlastoForm Holdings Limited (**“PlastoForm” or the “Group”**) (捷永控股有限公司), an ODM and OBM manufacturer of ecstatic audio products, today announced that it has achieved a turnaround in net profit for the full year ended December 31, 2014 (**“FY2014”**), mainly on the back of robust revenue growth and a higher gross margin.

For FY2014, profit after tax hit HK\$6.8 million, a turnaround from a loss of HK\$32.1 million for the full year ended December 31, 2013 (**“FY2013”**). Group revenue rose 29.1% to HK\$461.1 million from HK\$357.2 million over the same period. In line with the higher revenue, better inventory management, improvement of labour efficiency and tight control on overhead expenses, gross margin increased to 21.4% in FY2014 from 13.4% in FY2013.

Notably, for the three months ended December 31, 2014 (**“4Q 2014”**), the Group achieved its second consecutive quarter of profitability, turning in a net profit of HK\$7.3 million from a loss of HK\$4.9 million for the three months ended December 31, 2013 (**“3Q 2013”**). This was achieved on a 6.8% rise in revenue to HK\$141.0 million, from HK\$132.0 million over the same corresponding period.

Mr. Michael Tse Kin Man (谢健民), Executive Chairman of PlastoForm said, “We are encouraged to have achieved our second consecutive quarter of profitability. The various streamlining actions that we’ve undertaken, as well as a strong execution of both our Original Design Manufacturing and Original Branded Manufacturing strategies, have continued to bear fruit.

“We are not resting on our laurels and will aggressively look for opportunities to increase our customer base – both new and existing – to broaden our reach. Indeed, we’ve seen success in the launch of existing customers’ new models in the US market and have experienced additional sales from new customers. “

“To stay ahead of the game, we will continue to put a strong emphasis on constant innovation that’s aimed at developing higher-performance products that create clear

differentiation for our consumers. We stay focused on growing our business through the launch of new wireless audio products with strong, global market appeal.”

Mr. Robert Perry, Deputy Chief Executive Officer said, “We are pleased to have added new customers and increased our business portfolio with existing customers notwithstanding increased competition. This is a clear testimony of our capability to differentiate ourselves through a proven value proposition. We continue to invest in new technologies such as WiFi for enhanced performance of wireless products, as well as new Bluetooth technology that will augment our product offerings in both our ODM and OBM businesses. We believe these investments and improvement strategies will continue to strengthen our foundation for future growth.

“At the same time, we are taking a prudent stance towards business investments for growth in both our ODM and OBM segments, particularly in the use of the rights issue funds. In our aggressive pursuit of opportunities, we will ensure that our investments are carefully timed and linked directly to a clear return on investment strategy.”

The Group remained in a healthy financial position with cash and cash equivalents of HK\$75.3 million as at December 31, 2014.

Proposed Dividends

The board of directors proposes a final dividend of HK\$0.00133 per ordinary share subject to shareholders’ approval of the dividend at the upcoming Annual General Meeting, and amendment to the Company’s By-laws to allow the payment of the dividends from the current year’s profits in accordance with Bermuda law at a Special General Meeting to be held immediately after the Annual General Meeting.

About PlastoForm

SGX Mainboard-listed PlastoForm is an ODM and OBM manufacturer of ecstatic audio products. The Group specialises in the design and integrated production of quality audio devices. Working with the world's premier brands, the Group delivers a wide range of trendy lifestyle audio and multimedia accessories including Bluetooth and wireless products.

Founded in 1982, Hong Kong-based PlastoForm has leveraged on its strong design and engineering capabilities, as well as its project management skills to become the partner of choice for clients seeking top-rated original design manufacturing services (ODM) in Asia, earning repeated accolades from the industry for its dedication to innovation and excellence.

Swift to adapt to evolving consumer trends, PlastoForm has continued to add outstanding new products to its range of speakers that have won over global leaders in the sector. Tapping the exploding market for portable multimedia devices, its latest ecstatic products have secured fresh orders from both existing and new customers.

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