PLASTOFORM HOLDINGS LIMITED
(Company Registration Number: 34171)
(Incorporated in Bermuda)

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") ON THIRD QUARTER RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016

The Board of Directors (the "**Board**") of PLASTOFORM HOLDINGS LIMITED (the "**Company**") refers to the queries raised by the SGX-ST on 30 November 2016 and would like to provide additional information in relation to the unaudited financial results of the Company for third quarter ended 30 September 2016, as follows:

SGX-ST's Query 1:

It was disclosed on page 8 that the increase in turnover was "mainly due to an increase of tooling and product development income". Please elaborate on "product development income" and provide the reasons for the increase.

Company's response:

In 3Q, 2016, HK$2.6m was recognized as revenue for tooling and product development income, mainly arising from NRE (non-recurring engineering) charges & tooling & moulds handling charges against customers for completion of projects development, design, testing and certification. As compared to same period last year, no tooling and product development income was recognized as revenue for the completion of projects development.

SGX-ST's Query 2:

It was disclosed on page 8 that general and administrative expenses decreased "mainly due to reclassification and better management of staff costs and general expenses". Please explain the "reclassification" of expenses, and disclose where and why these expenses were reclassified.

Company's response:

Starting from 3Q 2016, in order to better serve our customers and provide instant technical responses to their needs, our sales team was strengthened by transferring more technical talent staff internally from our R&D team to sales team. Staff costs of HK$1.1 million, classified under general and administrative expenses in the past was reclassified to staff costs under selling and distribution expenses.

SGX-ST's Query 3:

Please explain, under paragraph 9, any deviation from the commentary/discussion under Paragraph 10 of the Company's financial statements from the previous period. Where there is no deviation, please provide an explicit statement to that effect.

Company's response:

While the company has not provided any prospect statement, the overall market remains competitive and exhibits growth consistent with expectations.

SGX-ST's Query 4:

It was disclosed on page 9 that "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". Please elaborate on how this is complementary and provide a commentary on the outlook for this segment.

Company's response:

Our core business focuses on the design and integrated production of quality audio devices for the worlds' premier brands and delivers a wide of trendy lifestyle audio and multimedia accessories, including the Bluetooth and wireless products. We also start the projects, so-called complementary products on wearable products, wireless charging, IOT on smart home system etc. It is believed that the market potential for these products is great and can diversify our product portfolio and contribute to success in our business.

BY ORDER OF THE BOARD

Tse Kin Man
Executive Chairman

2 December 2016