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

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2015

The Directors of Plastoform Holdings Limited wish to announce the following unaudited results of the Group for the quarter ended 30 September 2015.

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 30 Sep			Nine Months Ended 30 Sep		
	2015	2014	**%**	**2015**	2014	**%**
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Revenue	**72,522**	144,796	(49.9%)	**193,258**	320,137	(39.6%)
Cost of sales	**(56,330)**	(112,935)	(50.1%)	**(153,201)**	(256,905)	(40.4%)
Gross Profit	**16,192**	31,861	(49.2%)	**40,057**	63,232	(36.7%)
Other operating income	**273**	450	(39.3%)	**720**	1,964	(63.3%)
Selling and distribution expenses	**(3,147)**	(4,727)	(33.4%)	**(12,762)**	(14,438)	(11.6%)
General and administrative expenses	**(17,774)**	(17,883)	(0.6%)	**(48,074)**	(51,181)	(6.1%)
Loss before income tax	**(4,456)**	9,701	N/M	**(20,059)**	(423)	N/M
Income tax expense	**(25)**	-	N/M	(374)	-	N/M
Loss for the period	**(4,481)**	9,701	N/M	**(20,433)**	(423)	N/M
Other comprehensive income:						
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)						
Exchange differences on translation of foreign operations	**(2,270)**	735	N/M	**(2,162)**	(667)	N/M
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods	**(2,270)**	735	N/M	**(2,162)**	(667)	N/M
Total comprehensive income attributable to owners of the Company	**(6,751)**	10,436	N/M	**(22,595)**	(1,090)	N/M

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

	Group					
	Three Months Ended 30 Sep			Nine Months Ended 30 Sep		
	2015	2014	%	**2015**	2014	%
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Interest income	**(21)**	(16)	31.3%	**(37)**	(18)	N/M
Depreciation of plant and equipment	**1,263**	1,068	18.3%	**3,771**	3,040	24.0%
Impairment loss on trade receivables	**3,273**	-	N/M	**3,273**	-	N/M
Net exchange loss/ (gains)	**(1,373)**	(22)	N/M	**(2,749)**	(352)	N/M

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)

	Note	Group		Company	
		30/9/2015	31/12/2014	30/9/2015	31/12/2014
		HK$'000	HK$'000	HK$'000	HK$'000
ASSETS					
Non-current assets					
Plant and equipment		**15,519**	17,582	**-**	-
Investments in subsidiaries		**-**	-	**82,608**	82,608
		15,519	17,582	**82,608**	82,608
Current assets					
Inventories		**42,667**	49,069	**-**	-
Trade receivables		**54,493**	96,126	**-**	-
Deposits, prepayments and other receivables		**7,407**	16,704	**148**	136
Amount due from subsidiaries		**-**	-	**32,224**	25,034
Cash and cash equivalents		**70,444**	75,253	**16,508**	34,125
		175,011	237,152	**48,880**	59,295
Total assets		**190,530**	254,734	**131,488**	141,903
Current liabilities					
Trade payables		**67,839**	105,036	**-**	-
Other payables and accruals		**19,135**	20,350	**669**	915
Amount due to subsidiaries		**-**	-	**16,506**	16,506
Amount due to shareholders		**731**	731	**731**	731
Tax payable		**25**	479	**-**	-
		87,730	126,596	**17,906**	18,152
Net current assets		**87,281**	110,556	**30,974**	41,143
Net assets		**102,800**	128,138	**113,582**	123,751
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**	197,680	**197,502**	197,680
Treasury share		**(1,686)**	(1,798)	**(1,686)**	(1,798)
Share option reserve		**633**	633	**633**	633
Foreign exchange translation reserve		**(1,657)**	505	**-**	-
Accumulated losses		**(112,242)**	(89,132)	**(103,117)**	(93,014)
Total equity		**102,800**	128,138	**113,582**	123,751

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 30/9/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 30/9/2015		As at 31/12/2014	
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		Nine Months Ended	
	30/9/2015	30/9/2014	**30/9/2015**	30/9/2014
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash flow from operating activities				
(Loss)/ profit before income tax	**(4,456)**	9,701	**(20,059)**	(423)
Adjustments for:				
Depreciation of plant and equipment	**1,263**	1,068	**3,771**	3,040
Provision for stock obsolescence	**713**	4,200	**1,534**	4,200
Impairment loss on trade receivables	**3,273**	-	**3,273**	-
Loss on disposal of plant and equipment	**41**	-	**41**	-
Interest income	**(21)**	(16)	**(37)**	(18)
Operating cash flows before working capital changes	**813**	14,953	**(11,477)**	6,799
Changes in working capital:				
Inventories	**(9,655)**	6,020	**4,868**	(331)
Trade and other receivables	**(18,784)**	(41,500)	**47,657**	(13,105)
Trade and other payables	**29,195**	21,545	**(38,412)**	(3,422)
Tax recoverable	**-**	30	**-**	(6)
Cash generated from/ (used in) operations	**1,569**	1,048	**2,636**	(10,065)
Interest received	**21**	16	**37**	18
Income tax paid	**-**	-	**(829)**	-
Net cash generated from/ (used in) operating activities	**1,590**	1,064	**1,844**	(10,047)
Cash flows from investing activities				
Purchases of plant and equipment	**(1,849)**	(1,602)	**(2,943)**	(6,193)
Proceeds from disposal of plant and equipment	**6**	-	**6**	-
Net cash used in investing activities	**(1,843)**	(1,602)	**(2,937)**	(6,193)
Cash flows from financing activities				
Proceeds from rights issue	**-**	32,842	**-**	32,842
Costs of rights issue incurred	**-**	(1,129)	**-**	(1,129)
Purchase of treasury shares	**(166)**	-	**(166)**	
Repayment of advances from shareholders	**-**	(15,000)	**-**	**-**
Repayment of directors' loan	**-**	**-**	**-**	(1,000)
Dividend paid	**-**	**-**	**(2,677)**	-
Net cash generated from/ (used in) financing activities	**(166)**	16,713	**(2,843)**	30,713
Net increase/ (decrease) in cash and cash equivalents	**(419)**	16,175	**(3,936)**	14,473
Effect of cash and cash equivalent denominated in foreign currencies	**(1,222)**	702	**(873)**	1,185
Cash and cash equivalents at beginning of the period	**72,085**	41,569	**75,253**	42,788
Cash and cash equivalents at end of the period	**70,444**	58,446	**70,444**	58,446

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 – 3Q 2015	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 30 September 2015							
Balance as at 1 July 2015	20,250	197,502	(1,520)	633	613	(107,761)	109,717
Loss for the period	-	-	-	-	-	(4,481)	(4,481)
Other comprehensive income for the period	-	-	-	-	(2,270)	-	(2,270)
Share buyback	-	-	(166)	-	-	-	(166)
Balance as at 30 September 2015	**20,250**	**197,502**	**(1,686)**	**633**	**(1,657)**	**(112,242)**	**102,800**
Group – 3Q 2014							
For the three months ended 30 September 2014							
Balance as at 1 July 2014	13,520	172,697	(1,234)	676	(3,923)	(110,782)	70,954
Profit for the period	-	-	-	-	-	9,701	9,701
Other comprehensive income for the period	-	-	-	-	735	-	735
Rights issue	6,730	26,112	-	-	-	-	32,842
Rights issue expenses	-	(1,129)	-	-	-	-	(1,129)
Balance as at 30 September 2014	**20,250**	**197,680**	**(1,234)**	**676**	**(3,188)**	**(101,081)**	**113,103**

Company – 3Q 2015	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 30 September 2015						
Balance as at 1 July 2015	20,250	197,502	(1,520)	633	(100,674)	116,191
Loss for the period	-	-	-	-	(2,443)	(2,443)
Share buyback	-	-	(166)	-	-	(166)
Balance as at 30 September 2015	**20,250**	**197,502**	**(1,686)**	**633**	**(103,117)**	**113,582**
Company – 3Q 2014						
For the three months ended 30 September 2014						
Balance as at 1 July 2014	13,520	172,697	(1,234)	676	(89,088)	96,571
Loss for the period	-	-	-	-	(3,309)	(3,309)
Rights issue	6,730	26,112	-	-	-	32,842
Rights issue expenses	-	(1,129)	-	-	-	(1,129)
Balance as at 30 September 2014	**20,250**	**197,680**	**(1,234)**	**676**	**(92,397)**	**124,975**

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 30 June 2015 (excluding treasury shares)		40,246,193	216,232
On 21 September 2015	Share buyback	(30,000)	- (166)
On 22 September 2015	Share buyback	(70,000)	
As at 30 September 2015 (excluding treasury shares)		40,146,193	216,066

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 30/9/2015	As at 31/12/2014
Outstanding options	39,000*	1,950,000

* On 25 May 2015, the Company completed a share consolidation of 50 existing issued ordinary shares into 1 ordinary share. Accordingly, adjustments have made to the number of shares. Fractional entitlements are disregarded.

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 30/9/2015	As at 31/12/2014
Total number of issued shares excluding treasury shares	40,146,193*	2,010,000,000

* After the completion of share consolidation on 25 May 2015.

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 2015. The adoption of these new IFRSs did not have any material impact on the financial information of the Group for period ended 30 September 2015. 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 30 September 2015 are the same as those used in the annual financial statements of the Group for the year ended 31 December 2014.

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 2015. 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	
	9 months ended 30/9/2015	9 months ended 30/9/2014
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);	(50.8)	(1.5)
(b) On a fully diluted basis (HK$ cents)	(50.8)	(1.5)
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	40,212,325	28,491,369*
Effective of potentially dilutive ordinary shares – Share options	39,000	43,000*
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,251,325	28,534,369*

* On 25 May 2015, the Company consolidated 50 ordinary shares into 1 ordinary share in the capital of the Company and the weighted average number of ordinary shares used for the calculation of earnings per share as at 30 September 2014 had been adjusted for the effect of the share consolidation.

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	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Net asset value per ordinary share based on issued share capital at the end of:	HK2.6	HK3.2*	HK2.8	HK3.1*
Number of ordinary shares in issuance excluding treasury shares	40,146,193	40,199,993*	40,146,193	40,199,993*

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 30 September 2015 of 40,146,193 shares (31 Dec 2014: 40,199,993* shares).

* On 25 May 2015, the Company consolidated 50 ordinary shares into 1 ordinary share in the capital of the Company and the weighted average number of ordinary shares used for the calculation of earnings per share as at 31 December 2014 had been adjusted for the effect of the share consolidation.

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.

Turnover

Group turnover decreased by 49.9% or HK$72.3 million from HK$144.8 million in 3Q 2014 to HK$72.5 million in 3Q 2015. The decrease were mainly due to reduction of demand and end of product life for a product manufactured for one of major customers.

Gross profit and margin

Group's gross profit decreased by HK$15.7 million from HK$31.9 million in 3Q 2014 to HK$16.2 million in 3Q 2015 due to the decrease of sales. However, the overall gross profit margin slightly improved by 0.3% from 22.0% in 3Q 2014 to 22.3% in 3Q 2015.

Other operating income

Other operating income are mainly attributed to the reduction of products development income.

Selling and distribution expenses

Selling and distribution expenses decreased by 33.4% or HK$1.6 million from HK$4.7 million in 3Q 2014 to HK$3.1 million in 3Q 2015 were mainly due to decrease of staff costs, transportation charges and brand licensing expenses.

General and administrative expenses

General and administrative expenses decreased by 0.6% or HK$0.1 million from HK$17.9 million in 3Q 2014 to HK$17.8 million in 3Q 2015 mainly due to the decrease of development costs and staff costs, increase of exchange gain, offset by impairment loss of HK$3.3 million on trade receivables.

Loss before income tax

Loss before income tax increased by HK$14.2 million from profit of HK$9.7 million in 3Q 2014 to loss of HK$4.5 million in 3Q 2015 mainly due to lower of sales and impairment loss on trade receivables made, after partially offset by reduction of general expenses and increase of exchange gain.

Financial Position

Inventories decreased by HK$6.4 million from HK$49.1 million as at 31 December 2014 to HK$42.7 million as at 30 September 2015 due to lower sales and better inventory management.

Trade receivables decreased by HK$41.6 million significantly from HK$96.1 million as at 31 December 2014 to HK$54.5 million as at 30 September 2015 mainly due to decrease in sales.

Deposits, prepayments and other receivables decreased by HK$9.3 million from HK$16.7 million as at 31 December 2014 to HK$7.4 million as at 30 September 2015 mainly due to collection of customs deposit and decrease of VAT receivable in line with material purchases in 3Q 2015.

Trade payables decreased by HK$37.2 million from HK$105.0 million as at 31 December 2014 to HK$67.8 million as at 30 September 2015 mainly due to lower material purchases in 3Q 2015.

Statement of Cash Flows

Net cash generated from operating activities increased by HK$0.5 million from HK$1.1 million in 3Q 2014 to HK$1.6 million in 3Q 2015 due to improvement of working capital management.

Net cash generated from financing activities decreased by HK$16.9 million as compared to the same period last year due to net proceeds HK$31.7 million raised out in 3Q 2014 from rights issue, deducting HK$15 million of advance from undertaking of rights issue.

As at 30 September 2015, the Group had cash and cash equivalents of HK$70.4 million (31 December 2014: HK$75.3 million) and had no bank borrowings (FY2014: Nil).

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

While the company has not provided any prospect statement, the overall market remains very competitive.

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 overall market for wireless audio is still growing but has become extremely competitive and overcrowded. We are trying to stay on with the tier 1 and at best the tier 2 customers, because we do not want to sacrifice our quality and go down market. For this reason, we are very selective as to who we want to do business with. We want to try to be lean and ensure we have a good financial position as we continue to look out for opportunities which make good profitability sense in this difficult market environment.

We are well positioned for WiFi/Multi room speakers once the market is ready for it. We will partner with branded customers that can complement us as an innovator, differentiator and market leader in niche market segment. We hope to find ways to take market share from our competitors in this industry.

Another market that we will consider is complementary products. We will innovate and design new products that somehow need quality audio components. Also, the Group continues to develop new markets globally, especially in the US, EU, Canada and major cities in Asia.

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 third quarter ended 30 September 2015.

13. 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 each during 3Q 2015.

14. Negative assurance confirmation on interim financial results under Rule 705 (5) of the SGX-ST.

The directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render the 3Q 2015 financial results to be false or misleading, in any material aspect.

15. The use of net proceeds raised from rights issue

To date, the Group has utilized the net proceeds raised from Rights Issue in the table below:-

	Amount raised	Cumulative amount utilized as at the date of this announcement	Balance of net proceeds as at the date of this announcement
	(A)	(B)	(A)- (B)
	HK$'000	HK$'000	HK$'000
Product development	5,697	4,657	1,040
Building up inventory level for distribution and sales globally	7,601	7,601	-
Financing trade receivables for distribution and sales globally	15,201	1,084	14,117
Setting up of overseas sales offices	3,166	3,166	-
Additional expenses incurred in connection with Rights Issue	48	48	-
Total	**31,713**	**16,556**	**15,157**

BY ORDER OF THE BOARD

Liu Wai Man
Lisa Cheng
Company Secretaries
11 November 2015