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

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2019

The Directors of Plastoform Holdings Limited wish to announce the following unaudited results of the Group for the quarter ended 30 September 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 30 Sep			Nine Months Ended 30 Sep		
	2019	2018	**%**	**2019**	2018	**%**
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Continuing operations						
Revenue	**2,063**	7,417	(72.2%)	**12,488**	40,874	(69.4%)
Cost of sales	**(1,633)**	(10,995)	(85.1%)	**(10,058)**	(42,857)	(76.5%)
Gross Profit/(Loss)	**430**	(3,578)	N/M	**2,430**	(1,983)	N/M
Other operating income	**6**	633	(99.1%)	**36**	724	(95.0%)
Selling and distribution expenses	**(448)**	(1,348)	(66.8%)	**(1,802)**	(4,375)	(58.8%)
General and administrative expenses	**(1,533)**	(10,373)	(85.2%)	**(7,773)**	(32,453)	(76.0%)
Loss from continuing operations before taxation	**(1,545)**	(14,666)	(89.5%)	**(7,109)**	(38,087)	(81.3%)
Income tax expense	**-**	-	-	**(6)**	(6)	-
Loss from continuing operations	**(1,545)**	(14,666)	(89.5%)	**(7,115)**	(38,093)	(81.3%)
Discontinued operations						
Loss from discontinued operations[(1)]	**-**	(3,000)	(100.0%)	**-**	(28,770)	(100.0%)
Net loss for the period	**(1,545)**	(17,666)	(91.3%)	**(7,115)**	(66,863)	(89.4%)
Other comprehensive income 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)	**37**	68	(45.6%)	**54**	497	(89.1%)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**37**	68	(45.6%)	**54**	497	(89.1%)
Total comprehensive loss attributable to owners of the Company	**(1,508)**	(17,598)	(91.4%)	**(7,061)**	(66,366)	(89.4%)

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		
	2019	2018	%	**2019**	2018	%
	HK$'000	HK$'000	Change	**HK$'000**	HK$'000	Change
Continuing operations						
Interest income	**-**	(1)	(100.0%)	**(2)**	(2)	-
Depreciation of plant and equipment	**11**	6	83.3%	**16**	24	(33.3%)
(Reversal of)/impairment loss on trade receivables	**(103)**	629	N/M	**(854)**	11,173	N/M
Impairment loss on plant and equipment	**-**	5	(100.0%)	**-**	5	(100.0%)
Net exchange loss/(gains)	**40**	(45)	N/M	**43**	(227)	N/M
Discontinued operations						
Interest income	**-**	(2)	(100.0%)	**-**	(5)	(100.0%)
Depreciation of plant and equipment	**-**	31	(100.0%)	**-**	72	(100.0%)
(Reversal of)/impairment loss on trade receivables	**-**	(529)	(100.0%)	**-**	12,091	(100.0%)
Impairment loss on plant and equipment	**-**	7	(100.0%)	**-**	935	(100.0%)
Net exchange loss	**-**	336	(100.0%)	**-**	1,029	(100.0%)

N/M: Not meaningful

(1) 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	
	30/9/2019	**31/12/2018**	**30/9/2019**	**31/12/2018**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
ASSETS				
Non-current assets				
Plant and equipment	**263**	3	-	-
Intangible asset – club memberships	**460**	460	-	-
Investments in subsidiaries	**-**	-	**4,751**	4,751
	723	463	**4,751**	4,751
Current assets				
Inventories	**230**	976	**-**	-
Trade receivables	**-**	1,707	**-**	-
Deposits, prepayments and other receivables	**2,379**	3,070	**163**	183
Cash and cash equivalents	**588**	8,573	**161**	856
	3,197	14,326	**324**	1,039
Total assets	**3,920**	14,789	**5,075**	5,790
Current liabilities				
Trade payables	**615**	615	**-**	-
Other payables and accruals	**6,555**	6,500	**5,688**	5,445
Contract liabilities	**3,971**	7,834	**-**	-
Amount due to a subsidiary	**-**	-	**4,267**	2,830
Amount due to a shareholder	**731**	731	**731**	731
	11,872	15,680	**10,686**	9,006
Net current liabilities	**(8,675)**	(1,354)	**(10,362)**	(7,967)
Net liabilities	**(7,952)**	(891)	**(5,611)**	(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	**261**	261
Foreign exchange translation reserve	**(22)**	(76)	**-**	-
Accumulated losses	**(224,167)**	(217,052)	**(221,848)**	(219,453)
Total equity	**(7,952)**	(891)	**(5,611)**	(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 30/9/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
HK$'000	HK$'000	HK$'000	HK$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 30/9/2019		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		**Nine Months Ended**	
	30/9/2019	30/9/2018	**30/9/2019**	30/9/2018
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash flow from operating activities				
Loss before income tax				
- Continuing operations	**(1,545)**	(14,666)	**(7,109)**	(38,087)
- Discontinued operations	**-**	(3,000)	**-**	(28,770)
Adjustments for:				
Depreciation of plant and equipment	**11**	37	**16**	96
Impairment loss on plant and equipment	**-**	12	**-**	940
(Reversal of)/provision for stock obsolescence	**-**	(869)	**(1,333)**	(261)
(Reversal of)/provision for impairment loss on trade receivables	**(103)**	100	**(854)**	23,264
Bad debts written off		618	**-**	618
Gain on disposal of plant and equipment	**-**	(458)	**-**	(458)
Interest expense	**-**	5	**-**	32
Interest income	**-**	(3)	**(2)**	(7)
Operating cash flows before working capital changes	**(1,637)**	(18,224)	**(9,282)**	(42,633)
Changes in working capital:				
Inventories	**121**	7,967	**2,079**	10,065
Trade and other receivables	**877**	9,320	**3,251**	25,825
Trade and other payables	**246**	(500)	**54**	(19,000)
Contract liabilities	**(1,776)**	1,063	**(3,861)**	(766)
Cash generated used in operations	**(2,169)**	(374)	**(7,759)**	(26,509)
Interest received	**-**	3	**2**	7
Income tax paid	**-**	-	**(6)**	(6)
Net cash used in operating activities	**(2,169)**	(371)	**(7,763)**	(26,508)
Cash flows from investing activities				
Purchases of plant and equipment	**(130)**	(11)	**(277)**	(959)
Proceeds of disposal of plant and equipment	-	458	-	458
Net cash generated from/(used in) investing activities	**(130)**	447	**(277)**	(501)
Cash flows from financing activities				
Interest paid	**-**	(5)	**-**	(32)
Net cash used in financing activities	**-**	(5)	**-**	(32)

Net increase/(decrease) in cash and cash equivalents	**(2,299)**	71	**(8,040)**	(27,041)
Effect of exchange rate changes on cash and cash equivalent	**37**	68	**55**	497
Cash and cash equivalents at beginning of the period	**2,850**	13,035	**8,573**	39,718
Cash and cash equivalents at end of the period	**588**	13,174	**588**	13,174

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 capitalisation 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 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 30 September 2019							
Balance as at 1 July 2019	20,250	197,502	(1,776)	261	(59)	(222,622)	(6,444)
Loss for the period	-	-	-	-	-	(1,545)	(1,545)
Other comprehensive income for the period	-	-	-	-	37	-	37
Balance as at 30 September 2019	**20,250**	**197,502**	**(1,776)**	**261**	**(22)**	**(224,167)**	**(7,952)**
Group – 3Q 2018							
For the three months ended 30 September 2018							
Balance as at 1 July 2018	20,250	197,502	(1,776)	391	(2,357)	(211,944)	2,066
Loss for the period	-	-	-	-	-	(17,666)	(17,666)
Other comprehensive expense for the period	-	-	-	-	68	-	68
Balance as at 30 September 2018	**20,250**	**197,502**	**(1,776)**	**391**	**(2,289)**	**(229,610)**	**(15,532)**

Company – 3Q 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 30 September 2019						
Balance as at 1 July 2019	20,250	197,502	(1,776)	261	(221,363)	(5,126)
Loss for the period	-	-	-	-	(485)	(485)
Balance as at 30 September 2019	**20,250**	**197,502**	**(1,776)**	**261**	**(221,848)**	**(5,611)**
Company – 3Q 2018						
For the three months ended 30 September 2018						
Balance as at 1 July 2018	20,250	197,502	(1,776)	391	(214,040)	2,327
Loss for the period	-	-	-	-	(5,235)	(5,235)
Balance as at 30 September 2018	**20,250**	**197,502**	**(1,776)**	**391**	**(219,275)**	**(2,908)**

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 financial 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 30 September 2019 (excluding treasury shares)		40,046,193	215,976

The Company has 453,800 treasury shares as at 30 September 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 30/9/2019	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 30/9/2019	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, 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 30 September 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 30 September 2019 are the same as those used in the annual financial statements of the Group for the year ended 31 December 2018.

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	
	9 months ended 30/9/2019	9 months ended 30/9/2018
Earnings per ordinary share based on the net loss for the period		
(a) Based on weighted average number of ordinary shares on issue (HK$ cents);	(17.8)	(95.1)
(b) On a fully diluted basis (HK$ cents)	(17.8)	(95.1)
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	-	16,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,046,193	40,062,193

Discontinued operations

	Group	
	9 months ended 30/9/2019	9 months ended 30/9/2018
Earnings per ordinary share based on the net loss for the period		
(b) Based on weighted average number of ordinary shares on issue (HK$ cents);	-	(71.8)
(b) On a fully diluted basis (HK$ cents)	-	(71.8)
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	-	16,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	40,046,193	40,062,193

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	
	30/9/2019	31/12/2018	30/9/2019	31/12/2018
Net asset value per ordinary shares based on issued share capital (HK$ cents)	(19.9)	(2.2)	(14.0)	(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 30 September 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.

Continuing operations

Turnover

Turnover decreased by 72.2% or HK$5.3 million from HK$7.4 million in 3Q 2019 to HK$2.1 million in 3Q 2019. This substantial decrease in turnover was attributed to the downturn of the consumer audio industry. Our major ODM customers suffered financial difficulties and retreated from the audio market in 2018. On the other hand, the new licensing business just started in Q1 2019 and still needed time to pick up.

Gross profit/(loss) and margin

Gross profit increased by HK$4.0 million from loss of HK$3.6 million in 3Q 2018 to profit of HK$0.4 million in 3Q 2019. The gross profit margin increased from negative margin to positive margin 20.8%,

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.

Selling and distribution expenses

Selling and distribution expenses decreased by 66.8% or HK$0.9 million from HK$1.3 million in 3Q 2018 to HK$0.4 million in 3Q 2019 mainly due to the decrease in staff costs HK$0.6 million and transportation costs HK$0.3 million.

General and administrative expenses

General and administrative expenses decreased by 85.2% or HK$8.9 million from HK$10.4 million in 3Q 2018 to HK$1.5 million in 3Q 2019 mainly due to the decrease of impairment loss on accounts receivable and bad debts HK$1.4 million, staff costs HK$1.7 million and directors' emolument HK$4.6 million (including a provision for compensation, HK$4.2 million was made in 3Q 2018 for relinquishing of executive directors' service agreement.)

Loss before income tax

Loss before income tax decreased by HK$13.2 million from HK$14.7 million in 3Q 2018 to HK$1.5 million in 3Q 2019, mainly due to the savings on operating costs and an improvement of sales margin.

Financial Position

Trade receivables decreased by HK$1.7 million from HK$1.7 million as at 31 December 2018 to zero as at 30 September 2019 due to no credit sales granted for new licensing business.

Contract liabilities decreased by HK$3.8 million from HK$7.8 million as at 31 December 2018 to HK$4.0 million as at 30 September 2019 due the decrease of new licensing sales orders.

Statement of Cash Flows

Net cash used in operating activities increase by HK$1.8 million from HK$0.4 million in 3Q 2018 to HK$2.2 million in 3Q 2019, largely due to releasing of working capital more in Q3 2018 (mainly in inventory & trade receivables) from the decline of sales, but partially offset by decrease of loss in Q3 2019.

As at 30 September 2019, the Group has cash and bank balances of HK$0.6 million (31 December 2018: HK$8.6 million) with no bank borrowings (FY2018: HK$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.

Our newly launched Monster True Wireless (TWS) earbuds have completed the development and passed the required reliability tests.

Recently, Monster appointed more licencees in APAC who offers better payment term to customers. As result, the Group faces great deal of pressure from customers who have requested for better payment term.

With the on-going 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 second quarter ended 30 September 2019 as the Company need to reserve the funds for working capital.

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 2019.

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 2019 financial results to be false or misleading, in any material aspect.

15. 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
11 November 2019