



**PLASTEC TECHNOLOGIES REPORTS 2015 SECOND QUARTER
AND SIX-MONTH FINANCIAL RESULTS;
ANNOUNCES EXTENSION OF SECURITIES REPURCHASE PLAN THROUGH SEPTEMBER 2016;
INTERIM CASH DIVIDEND OF \$0.10 PER SHARE**

Hong Kong – August 6, 2015 – Plastec Technologies, Ltd. - (OTCBB: PLTYF (ordinary shares), PLTEF (units)) (“Plastec” or the “Company”), an integrated plastic manufacturing services provider that operates in the People’s Republic of China and Thailand, today reported unaudited financial results for fiscal 2015 second quarter and six-month ended June 30, 2015. See financial tables at the end of this release in Hong Kong dollars (HKD). All other amounts in this press release are presented in U.S. dollars (USD) with a conversion rate of US\$1.0: HK\$7.8.

**Financial and Operating Highlights for the Three Months Ended June 30, 2015
(All comparisons to prior year)**

- Sales of \$41.4 million, an increase of 22.8% compared to \$33.7 million
- Gross margin of 21.6%, compared to 19.1%, resulting primarily from increasing orders of higher-margin product
- Adjusted EBITDA of \$6.9 million, compared to \$6.4 million
- Net income of \$3.5 million, or \$0.27 per diluted share based on 12.9 million diluted shares outstanding, compared to \$2.3 million, or \$0.18 per diluted share based on 12.9 million diluted shares outstanding

**Fiscal 2015 Six-Month Financial and Operating Highlights
(All comparisons to same period of prior year)**

- Sales of \$78.9 million, an increase of 14.6% compared to \$68.9 million
- Gross margin of 23.4%, compared to 21.6%
- Adjusted EBITDA of \$15.4 million, compared to \$14.7 million
- Net income of \$8.0 million, or \$0.62 per diluted share based on 12.9 million diluted shares outstanding, compared to \$10.2 million, or \$0.78 per diluted share based on 12.9 million diluted shares outstanding
- \$13.1 million in cash generated from operations for the six months ended June 30, 2015, compared to \$16.6 million

Balance Sheet Highlights

- \$73.3 million in working capital at June 30, 2015, compared to \$82.5 million at December 31, 2014
- Book value per share of \$8.81 at June 30, 2015

Dividends Distribution

- In May 2015, the Company’s Board of Directors declared a special one-time cash dividend of \$0.90 on each outstanding ordinary share. The special cash dividend was paid on or about June 02, 2015 to shareholders of record as of May 26, 2015.
- The Company also announced today that its Board of Directors has declared an interim cash dividend of \$0.10 per ordinary share for the fiscal 2015-second quarter ended June 30, 2015. The interim dividend will be payable on or about August 27, 2015 to shareholders of record as of August 20, 2015.

Management Comments

Mr. Kin Sun Sze-To, Chairman of Plastec, stated, “We are very glad to report solid financial results for both the second quarter and first half of fiscal 2015. The double-digit revenue growth for both periods is largely driven by the follow-up orders of higher-margin products from our existing clients. We improved our gross margin, operating income and overall profitability during the second quarter, and continue to integrate methods of achieving higher levels of productivity throughout our entire organization. With the free cash generated from our operations, we are in a strong position to balance capital improvements with our growth. As part of our business development efforts, we have expanded our mold production capacity in our current facilities and plan to establish a new plant in Guangdong Province, China. We are confident that as we continue to expand our capacity and strengthen our plastic manufacturing services, we will be able to retain and attract new multinational customers.”

Chairman Sze-To continued, “We are pleased to announce our second interim cash dividend, reflecting Plastec’s sustainable financial performance. The recurring dividends, along with the extension of Securities Repurchase Plan, indicate our continued confidence in the outlook for Plastec. As always, we are committed to actively managing our capital position as well as creating shareholder value to reward our investors for their continuous support.”

Selected Financial Highlights in USD (\$ in millions, except number of shares and per share data)						
	3 months ended June 30, 2015	3 months ended June 30, 2014	Percentage Change	6 months ended June 30, 2015	6 months ended June 30, 2014	Percentage Change
Sales	\$41.4	\$33.7	22.8%	\$78.9	\$68.9	14.6%
Cost of Revenues	\$32.4	\$27.3	18.9%	\$60.5	\$54.0	12.0%
Gross Profit	\$9.0	\$6.4	39.0%	\$18.4	\$14.9	24.0%
Gross Profit Margin	21.6%	19.1%	2.5 pts	23.4%	21.6%	1.8 pts
Income from Operations	\$4.0	\$2.7	45.7%	\$9.3	\$11.4	(18.4%)
Operating Margin	9.7%	8.2%	1.5 pts	11.8%	16.6%	(4.8 pts)
Net Income	\$3.5	\$2.3	56.0%	\$8.0	\$10.2	(21.1%)
Net Margin	8.5%	6.7%	1.8 pts	10.1%	14.7%	(4.6 pts)
Weighted Average Number of Diluted Ordinary Shares Outstanding	12,938,128	12,938,128		12,938,128	12,938,128	
Diluted EPS	\$0.27	\$0.18	50.0%	\$0.62	\$0.78	(21.3%)
Adjusted EBITDA*	\$6.9	\$6.4	7.0%	\$15.4	\$14.7	4.8%

* Reconciliation table at end of release

Balance Sheet Highlights (USD in Millions)			
	<u>6/30/2015</u>	<u>12/31/2014</u>	Percentage Change
Cash and Cash Equivalents	\$61.3	\$67.8	(9.5%)
Total Current Assets	\$121.6	\$122.2	(0.5%)
Total Assets	\$164.1	\$163.0	0.7%
Working Capital	\$73.3	\$82.5	(11.2%)
Total Liabilities	\$50.1	\$43.4	15.5%
Shareholders' Equity	\$114.0	\$119.6	(4.7%)
Total Liabilities and Shareholders' Equity	\$164.1	\$163.0	0.7%

2015 Second Quarter and First Half Financial Review

- Total sales for three months ended June 30, 2015 increased to \$41.4 million from \$33.7 million in the prior-year period. Total sales for the six months period ended June 30, 2015 were \$78.9 million, compared to \$68.9 million in the corresponding period in the prior year. The double-digit growth for both second quarter and first half of 2015, 22.8% and 14.6%, respectively, was primarily a result of new orders from existing clients and eliminating orders with low margins.
- The Company’s gross profit increased 39.0% from \$6.4 million to \$9.0 million during the second quarter ended June 30, 2015, and gross profit margin improved to 21.6% from 19.1% for the prior-year period. For the six months period ended June 30, 2015, the Company’s gross profit was \$18.4 million, or 23.4% of revenues, compared to \$14.9 million, or 21.6% of revenues, in the prior year period. The increase in gross profit was attributable to better margins on products and continuing cost control effort throughout the period.
- Income from operations was \$4.0 million, or 9.7% of revenues, during the second quarter ended June 30, 2015, compared to \$2.7 million, or 8.2% of revenues, in the prior-year period. For the six months period, income from

operations was \$9.3 million, or 11.8% of the revenues, compared to \$11.4 million, or 16.6% of the revenues for the prior-year period. The decline was mainly attributable to a one-time \$3.8 million gain on disposal of a subsidiary recorded in the first six months of 2014. Excluding the effect of this prior corresponding period one-off transaction, Plastec's operating income before tax increased by 22.9%.

- Net income for the second quarter ended June 30, 2015 was \$3.5 million or \$0.27 per share based on approximately 12.9 million weighted average diluted shares outstanding, compared to \$2.3 million, or \$0.18 per share based on approximately 12.9 million weighted average diluted shares, in the prior-year period. For the first half of 2015, the Company's net income was \$8.0 million, or \$0.62 per share based on 12.9 million weighted average shares outstanding, compared to \$10.2 million, or \$0.78 per share based on 12.9 million weighted average shares outstanding, in the prior-year period.
- Adjusted EBITDA for the three months ended June 30, 2015 was \$6.9 million, compared to \$6.4 million in the prior-year period. For the first half of 2015, adjusted EBITDA was \$15.4 million, compared to \$14.7 million in the prior-year period.

Extension of Securities Repurchase Plan

The Company announced today that its Board of Directors has approved a further extension of its existing securities repurchase plan (as expanded) through September 25, 2016, allowing it to purchase up to \$5 million of its securities in both open market and privately negotiated transactions at the discretion of the Company's management and as market conditions allow; which repurchase plan may be suspended, modified or discontinued without any notice at any time. As of the date of this press release, the Company had repurchased 586,010 ordinary shares, 547,600 warrants and no units under the current plan.

About Plastec

Originally founded in 1993 by Chairman and CEO, Mr. Kin Sun Sze-To, Plastec is an integrated plastic manufacturing services provider that operates in the People's Republic of China and Thailand through its wholly owned subsidiaries. With approximately 4,800 employees, Plastec provides precision plastic manufacturing services from mold design and fabrication, plastic injection manufacturing to secondary-process finishing, as well as parts assembly.

Forward Looking Statements

This press release contains "forward-looking statements." These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Actual results may differ from expectations, estimates and projections and, consequently, you should not rely on these forward looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements.

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PLASTEC TECHNOLOGIES, LTD.

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (Unaudited)
(Hong Kong dollars in thousands, except number of shares, per share data and unless otherwise stated)

	For the 3-month period ended June 30,		For the 6-month period ended June 30,	
	2015	2014	2015	2014
	HK\$	HK\$	HK\$	HK\$
Revenues	322,811	262,940	615,703	537,193
Cost of revenues	(252,989)	(212,708)	(471,915)	(421,255)
Gross profit	69,822	50,232	143,788	115,938
Operating expenses, net				
Selling, general and administrative expenses	(40,433)	(27,650)	(72,795)	(57,500)
Other income	391	1,106	687	1,163
Gain/(loss) on disposal of a subsidiary	-	(2,605)	-	29,557
Written-off of property, plant and equipment	(829)	-	(1,261)	(440)
Gain on disposal of property, plant and equipment	2,293	364	2,430	552
Total operating expenses, net	(38,578)	(28,785)	(70,939)	(26,668)
Income from operations	31,244	21,447	72,849	89,270
Interest income	284	388	935	555
Interest expense	(488)	(447)	(800)	(868)
Income before income tax expense	31,040	21,388	72,984	88,957
Income tax expense	(3,551)	(3,777)	(10,500)	(9,781)
Net income	27,489	17,611	62,484	79,176
Other comprehensive income				
Foreign currency translation adjustment	(263)	-	4,581	(2,151)
Comprehensive income attributable to Plastec Technologies, Ltd.	27,226	17,611	67,065	77,025
Net income per share:				
Weighted average number of ordinary shares	12,938,128	12,938,128	12,938,128	12,938,128
Weighted average number of diluted ordinary shares	12,938,128	12,938,128	12,938,128	12,938,128
Basic income per share attributable to Plastec Technologies, Ltd.	HK\$2.1	HK\$1.4	HK\$4.8	HK\$6.1
Diluted income per share attributable to Plastec Technologies, Ltd.	HK\$2.1	HK\$1.4	HK\$4.8	HK\$6.1

PLASTEC TECHNOLOGIES, LTD.

CONSOLIDATED BALANCE SHEETS

(Hong Kong dollars in thousands, except number of shares, per share data and unless otherwise stated)

	(Unaudited)	(Audited)
	June 30, 2015	December 31, 2014
	HK\$	HK\$
ASSETS		
Current assets		
Cash and cash equivalents	478,288	528,527
Trade receivables, net of allowances for doubtful accounts of HK\$nil, and HK\$nil as of December 31, 2014 and June 30, 2015, respectively	307,896	278,553
Inventories	102,017	96,030
Deposits, prepayment and other receivables	60,134	50,204
Total current assets	948,335	953,314
Property, plant and equipment, net	293,329	283,500
Prepaid lease payments, net	18,928	19,692
Deferred tax assets	18,738	14,212
Intangible assets	438	438
Total assets	1,279,768	1,271,156
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Bank borrowings	47,350	21,429
Trade payables	135,442	125,854
Other payables and accruals	135,323	103,576
Tax payable	58,321	58,736
Total current liabilities	376,436	309,595
Bank Borrowings	14,286	28,571
Total liabilities	390,722	338,166
Commitments and contingencies	-	-
Shareholders' equity		
Ordinary shares (US\$0.001 par value; 100,000,000 authorized 12,938,128 and 12,938,128 shares issued and outstanding as of December 31, 2014 and June 30, 2015, respectively)	101	101
Additional paid-in capital	26,049	26,049
Accumulated other comprehensive income	14,718	10,137
Retained earnings	848,178	896,703
Total shareholders' equity	889,046	932,990
Total liabilities and shareholders' equity	1,279,768	1,271,156

PLASTEC TECHNOLOGIES, LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Hong Kong dollars in thousands, except number of shares, per share data and unless otherwise stated)

	For the 6-month	
	period ended June 30,	
	2015	2014
	HK\$	HK\$
Operating activities		
Net income	62,484	79,176
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	49,105	56,106
Gain on disposal of a subsidiary	-	(29,557)
Loss on written-off of property, plant and equipment	1,261	440
Gain on disposal of property, plant and equipment	(2,430)	(552)
Deferred tax credit	(3,796)	(1,358)
Changes in operating assets and liabilities:		
Trade receivables	(29,343)	18,795
Inventories	(5,987)	(1,045)
Deposits, prepayment and other receivables	(9,931)	(7,783)
Trade payables	26,966	11,101
Other payables and accruals	14,369	(4,493)
Tax payables	(882)	8,539
Net cash provided by operating activities	<u>101,816</u>	<u>129,369</u>
Investing activities		
Purchase of property, plant and equipment	(61,290)	(16,577)
Proceeds from disposal of a subsidiary	-	43,447
Proceeds from disposal of property, plant and equipment	4,028	749
Deposits for purchase of property, plant and equipment	-	(2,360)
Net cash (used in)/generated from investing activities	<u>(57,262)</u>	<u>25,259</u>
Financing activities		
Net proceeds/(repayment) from/ of bank borrowings	11,635	(11,495)
Dividends paid	(111,009)	(20,183)
Net cash used in financing activities	<u>(99,374)</u>	<u>(31,678)</u>
Net increase/(decrease) in cash and cash equivalents	(54,820)	122,950
Effect of exchange rate changes on cash and cash equivalents	4,581	(3,079)
Cash and cash equivalents, beginning of period	<u>528,527</u>	<u>348,901</u>
Cash and cash equivalents, end of period	<u>478,288</u>	<u>468,772</u>
Supplementary disclosures of cash flow information:		
Interest (received)/paid, net	<u>(135)</u>	<u>317</u>
Income taxes paid	<u>15,178</u>	<u>2,602</u>

PLASTEC TECHNOLOGIES, LTD.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (Unaudited)
(Hong Kong dollars in thousands)

	Three Months Ended		Six Months Ended	
	June 30	June 30	June 30	June 30
	2015	2014	2015	2014
	HKD	HKD	HKD	HKD
Net Income (note)	25,634	18,746	60,628	48,344
Plus Interest expenses	488	447	800	868
Minus Interest income	(284)	(388)	(935)	(555)
Plus Income tax expenses	3,551	3,777	10,500	9,781
Income from operations	<u>29,389</u>	<u>22,582</u>	<u>70,993</u>	<u>58,438</u>
Plus Depreciation and Amortization	24,243	27,556	49,105	56,106
Adjusted EBITDA	<u>53,632</u>	<u>50,138</u>	<u>120,098</u>	<u>114,544</u>

Note: Excl. other income and gain/(loss) on disposals/written-off

This press release includes financial information (EBITDA) not derived in accordance with generally accepted accounting principles or international financial reporting standards. Plastec believes that the presentation of such financial information provides more useful information to investors as it indicates more clearly Plastec's future performance. EBITDA was derived by taking earnings before interest expense (net), taxes, depreciation and amortization.