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TOP FORM INTERNATIONAL LIMITED

黛麗斯國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 333)

OPERATIONAL UPDATE FOR 1ST QUARTER OF FISCAL 2025

This announcement is made by Top Form International Limited (the “**Company**”) and its subsidiaries (collectively “**Top Form**” or the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

In continuation of the efforts to enhance the transparency of the Group, the board (the “**Board**”) of directors (the “**Directors**”) of the Company announces the following operational update for the first quarter for the year ending 30 June 2025 (the “**Fiscal 2025**”).

SALES

During the quarter, the Group has achieved sales of HK\$314.5 million, which was 37% higher compared with corresponding period in the prior year. This was mainly attributable to increase in demand from our major customers in the United States (the “**U.S.**”) to replenish their stock after the destocking trend in prior year. During the quarter, 75% of sales were to the U.S. market, 12% to the Europe and 13% to the rest of the world. During the quarter, gross profit margin was slightly lower as compared with the same period last year due to the change of customer and product mix.

MANUFACTURING

Production from the overseas manufacturing facilities in Asia ex-China accounted for 74% of the global output with China accounted for the remaining 26% during the quarter. We remain resilient on managing level-loading our manufacturing capacity in order to reduce operating costs and optimize utilization rate.

* *For identification purpose only*

With an aim to improve the overall operational efficiency and achieve cost savings for our business going forward, our production facility in Indonesia was scheduled to be temporarily suspended for operation from August 2024. It was granted with the necessary status by the relevant government authorities in October 2024 and it has resumed full operations in November 2024. During the corresponding period, the Company's management strived to minimize the impact to the Group's sales by successfully reshuffled some of our sales orders from our manufacturing facility in Indonesia to some of our other manufacturing plants in Asia or outsourced them to our sub-contractors.

As a result of the temporary operation suspension, we have incurred additional manufacturing costs and sub-contracting charges of approximately HK\$3.5 million in the first quarter and expected to incur further costs and charges in the next quarter.

In addition, we have incurred additional delivery costs of approximately HK\$2.2 million in the first quarter and expected to incur additional delivery costs in the coming months in order to fulfill customers' product delivery schedules and requirements. The management will continue its efforts to minimize such costs by coordinating with the relevant customers and service providers.

FINANCIAL POSITION

During the quarter, the Group maintains a capital structure with a gearing ratio of 22.9%.

OUTLOOK

The ongoing geopolitical disputes and the rise of global trade protectionism contributing to economic and market uncertainty, such as inflation and anticipated changes in interest rate. We acknowledge the challenges ahead and expect the customer demand to remain volatile in the near term.

As Top Form navigates through this unpredictable macroenvironment, the Group remains vigilant and prepared to adapt to the continuously shifting economic landscape. With a commitment to resilience and Top Form's strategy – centered on innovation, strategic verticality, high-touch service, and a multi-country footprint, Top Form is equipped to face the challenges ahead, leveraging its strengths to seize opportunities and achieve sustainable growth.

With a solid foundation laid over the years, Top Form is confident in our ability to adapt continuously evolving new challenges, we are fully prepared to capitalize on the changes and opportunities that will arise in the years ahead.

The Board wishes to remind investors that the above operational update for the first quarter of Fiscal 2025 is based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such information.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Top Form International Limited
Wong Chung Chong
Chairman

Hong Kong, 28 November 2024

As at the date of this announcement, the Board comprises Mr. Wong Chung Chong, Mr. Wong Kai Chung, Kevin and Mr. Wong Kai Chi, Kenneth as executive Directors; Mr. Herman Van de Velde and Ms. Lien Van de Velde as non-executive Directors; and Ms. Leung Churk Yin, Jeanny, Mr. Leung Ying Wah, Lambert, Mr. Wang Man Hon, Sidney and Mr. Tai Lun, Paul as independent non-executive Directors.