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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the Year, the Group is expected to record a net loss of not more than HK\$79 million for the Year, as compared to the profit after tax of HK\$11.5 million for Fiscal 2022.

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

This announcement is made by Top Form International Limited (the “**Company**”, together with its subsidiaries, 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) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders (the “**Shareholders**”) of the Company and the potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 30 June 2023 (the “**Year**”), the Group is expected to record a net loss of not more than HK\$79 million for the Year, as compared to the profit after tax of HK\$11.5 million for the year ended 30 June 2022 (“**Fiscal 2022**”).

* *For identification purpose only*

The Board considered that the estimated loss of the Group for the Year was mainly attributable to (i) a significant decrease in revenue by approximately 32% year-over-year; (ii) an one-off provision of approximately HK\$11.8 million relating to restructuring expenses associated with suspension of operations of a factory in Southeast Asia; and (iii) an one-off cost of approximately HK\$4.0 million relating to retirement benefit obligations provision in Southeast Asia.

Throughout this year, the economic landscape has been significantly impacted by the Russo-Ukrainian conflict, inflation, and interest rate hikes. These factors have had adverse effects on the retail markets, particularly in the United States, where the Group's major markets are located. As a result, the Group's revenue has faced immense pressure, leading to squeezed profitability. The significant drop in demand from our major customers in the United States has been caused by high inventory levels and slowing consumer spending.

Moreover, the Group's profitability was further impacted by the aforementioned two one-off expenses incurred as we consolidate our production capacity in Southeast Asia to improve efficiency to our manufacturing network.

As the Company is still in the process of preparing its audited consolidated final results for the Year, the information contained in this announcement is only based on a preliminary assessment made by the Company's management according to the information currently available and the unaudited consolidated management accounts of the Group which have not been audited by the auditors of the Company. Detailed financial information of the Group will be disclosed in the Group's final results announcement for the year ended 30 June 2023 which is expected to be published on or about 28 September 2023.

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, 25 August 2023

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 and Mr. Lin Sun Mo, Willy as independent non-executive Directors.