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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 2021

In continuation of the efforts to enhance the transparency of Top Form International Limited (the “**Company**”) and its subsidiaries (collectively “**Top Form**” or the “**Group**”), the board (the “**Board**”) of directors (the “**Directors**”) of the Company announces the following operational update for the first quarter of fiscal 2021.

SALES

During the quarter, the Group has achieved sales of HK\$314 million, which was 3% higher compared with corresponding period in the prior year. This was mainly driven by the robust demand of the fully fused and seamless products. 77% of sales were to the U.S. market, 13% to the E.U. and 10% to the rest of the world.

MANUFACTURING

Production from the overseas manufacturing facilities in Southeast Asia accounted for 71% of the global output with China accounted for the remaining 29% during the quarter. Due to the high utilization of our overseas manufacturing capacity, the Group has increased the capacity in China during the quarter to cope with the robust customer demand. In the long run, with the geopolitical tension and the increased labour cost in China, the Group will continue to shift capacity from China to other competitive Southeast Asian countries.

During the quarter, gross profit margin was higher compared with last year same period due to customer and product mix.

* *For identification purpose only*

FINANCIAL POSITION

During the quarter, the Group maintains a capital structure with a gearing ratio of 29%.

OUTLOOK

The COVID-19 pandemic made significant impact to the global economy and Top Form's business in the second half of the financial year ended 30 June 2020. Yet, the Group's foresight in building a resilient and flexible manufacturing footprint and in diversifying our product offering is placing Top Form in a strong position to capture the rebound of the consumer demand as consumer markets we serve begin adapting to a new normal of life under the pandemic.

The Group will continue investing in our key strategic initiatives including seamless product manufacturing and buildup of manufacturing capacity in lower cost countries to capture the business opportunities in the post pandemic era.

The Board wishes to remind investors that the above operational update for the first quarter of fiscal 2021 is based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such information.

In the meantime, shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.

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

Hong Kong, 17 November 2020

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. Fung Wai Yiu, Mr. Lucas A.M. Laureys and Mr. Herman 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.