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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 3rd QUARTER OF FISCAL 2019

In continuation of the efforts to enhance the transparency of Top Form International Limited (the “**Company**”) and its subsidiaries (together the “**Group**”), the Board of Directors (the “**Board**”) of the Company announces the following operational update for the third quarter of fiscal 2019.

SALES

During the quarter, the Group has achieved sales of HK\$330 million, which was 7% higher compared with corresponding period in the prior year. This was mainly due to higher sales to US customers as compared with the third quarter of fiscal 2018.

For the nine months ended 31 March 2019, the Group has achieved sales of HK\$937 million, which was 2% lower compared with corresponding period in the prior year. This was due to product and customer mix which resulted in lower average selling price. 66% of sales were to the U.S. market, 20% to the E.U. and 14% to the rest of the world.

MANUFACTURING

Production from Thailand and Cambodian plants accounted for 67% of the global output with China accounted for the remaining 33% during the quarter. The Group has continued optimized the overall capacity and improved efficiency.

During the quarter, gross profit margin was similar to previous quarters and lower 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 healthy capital structure with net cash position and gearing ratio of less than 5%.

OUTLOOK

With the recent developments in the trade war between US and China, the Group has accelerated the capacity shift from China to overseas. In addition to expanding capacity in existing overseas facility, the Group is also adding manufacturing capacity in new country of origin. During this period of transition, the Group expects to incur certain non-operational expenses which may have impact on the Group's financial performance.

The Board wishes to remind investors that the above operational update for the third quarter of fiscal 2019 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.

On behalf of the Board
Top Form International Limited
Wong Chung Chong
Chairman

Hong Kong, 23 May 2019

As at the date of this announcement, the Board comprises Mr. Wong Chung Chong, Mr. Wong Kai Chi, Kenneth and Mr. Wong Kai Chung, Kevin as executive directors, Mr. Fung Wai Yiu, Mr. Lucas A.M. Laureys and Mr. Herman Van de Velde as non-executive directors and Mr. Chow Yu Chun, Alexander, Ms. Leung Churk Yin, Jeanny, Mr. Leung Ying Wah, Lambert and Mr. Lin Sun Mo, Willy as independent non-executive directors.