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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)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 30 JUNE 2018

RESULTS

The board of directors (the “Board”) of Top Form International Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2018 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 June 2018

	<i>Notes</i>	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Revenue	3	1,281,021	1,126,008
Cost of sales		<u>(1,051,111)</u>	<u>(920,758)</u>
Gross profit		229,910	205,250
Other net income		8,792	15,367
Selling and distribution expenses		(23,017)	(27,694)
General and administrative expenses		(200,671)	(191,646)
Finance costs		(307)	(222)
Share of profits of a joint venture		3,516	7,396
Other expenses	8	<u>(3,141)</u>	<u>–</u>
Profit before tax	4	15,082	8,451
Income tax expense	5	<u>(2,735)</u>	<u>(2,473)</u>
Profit for the year		<u>12,347</u>	<u>5,978</u>

* *For identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)*For the year ended 30 June 2018*

	<i>Note</i>	2018 HK\$'000	2017 <i>HK\$'000</i>
Attributable to:			
Owners of the Company		12,869	5,397
Non-controlling interests		<u>(522)</u>	<u>581</u>
Profit for the year		<u>12,347</u>	<u>5,978</u>
Earnings per share			
Basic	7	<u>HK\$0.060</u>	<u>HK\$0.025</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the year ended 30 June 2018

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Profit for the year	12,347	5,978
Other comprehensive income		
Items that will not be subsequently reclassified to profit or loss:		
Reversal of deferred tax liability upon disposal of investment property	–	2,516
Remeasurement of provision for long service payments	24	(172)
	24	2,344
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of operations outside Hong Kong		
— subsidiaries	4,977	2,288
— a joint venture	743	(239)
Release of translation reserve upon deemed disposal of interest in a joint venture	(25)	–
Other comprehensive income for the year, net of income tax	5,719	4,393
Total comprehensive income for the year	18,066	10,371
Attributable to:		
Owners of the Company	18,501	9,806
Non-controlling interests	(435)	565
Total comprehensive income for the year	18,066	10,371

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2018

	<i>Notes</i>	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		122,352	111,622
Prepaid land lease payments		1,432	1,480
Investment properties		86,705	84,180
Deferred tax assets		781	–
Derivative financial instrument		2,800	4,313
Interest in a joint venture	8	25,830	24,736
Prepaid rental payments		631	936
		<hr/> 240,531	<hr/> 227,267
Current assets			
Inventories		148,736	150,284
Debtors and other receivables	9	222,627	209,694
Prepaid land lease payments		48	48
Current tax recoverable		500	1,105
Bank balances and cash		102,616	133,300
		<hr/> 474,527	<hr/> 494,431
Current liabilities			
Creditors and accrued charges	10	137,504	139,300
Obligation under finance lease		149	145
Current tax payable		1,851	4,210
		<hr/> 139,504	<hr/> 143,655
Net current assets		<hr/> 335,023	<hr/> 350,776
Total assets less current liabilities		<hr/> 575,554	<hr/> 578,043

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*At 30 June 2018*

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Non-current liabilities		
Obligation under finance lease	62	205
Retirement benefit obligations	832	939
Deferred tax liabilities	22,198	20,999
	<u>23,092</u>	<u>22,143</u>
Net assets	<u>552,462</u>	<u>555,900</u>
Capital and reserves		
Share capital	107,519	107,519
Reserves	435,498	438,501
Equity attributable to owners of the Company	543,017	546,020
Non-controlling interests	9,445	9,880
Total equity	<u>552,462</u>	<u>555,900</u>

NOTES TO THE ANNUAL FINANCIAL RESULTS

1. BASIS OF PREPARATION

The annual results set out in the announcement do not constitute the Group's financial statements for the year ended 30 June 2018 but are extracted from those financial statements.

The Group's financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. The financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the sale value of goods. The Group manages its business as a single unit and, accordingly, the manufacturing and sale of ladies' intimate apparel is the only reportable segment and virtually all of the revenue and operating profits is derived from this business segment. The consolidated financial statements are already presented in a manner consistent with the way in which information is reported internally to the Company's executive directors, being the chief operating decision maker, for the purposes of resources allocation and operating performance review.

The chief operating decision maker regularly assesses available production capacity on a plant by plant basis, however, no discrete financial information is available for each plant for the purpose of resources allocation and operating performance review. The chief operating decision maker reviews financial information on a consolidated basis. Accordingly, no separate business segment information is disclosed.

The accounting policies adopted for the preparation of the financial information reviewed by the executive directors are the same as those adopted in preparing the Group's financial statements. Segment revenue is the consolidated revenue of the Group. Segment profit or loss is the consolidated profit or loss after tax.

All the Group's segment assets and liabilities are under the manufacturing business as at 30 June 2018 and 2017.

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(a) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, prepaid land lease payments, investment properties, interest in a joint venture and prepaid rental payments ("specified non-current assets"). The geographical location of customers is based on the location to which the goods are delivered.

	Revenue from external customers		Specified non-current assets	
	2018 HK\$'000	2017 HK\$'000	2018 HK\$'000	2017 HK\$'000
Hong Kong	19,802	15,402	9,541	11,243
USA	813,948	600,972	–	–
Belgium	104,115	108,779	–	–
The Netherlands	71,280	96,461	–	–
Spain	48,805	35,839	–	–
France	43,226	44,735	–	–
The People's Republic of China ("PRC")	29,441	23,744	163,101	154,578
Germany	29,208	49,746	–	–
Italy	17,600	10,501	–	–
Mexico	17,328	10,468	–	–
Thailand	13	116	60,492	51,956
Cambodia	–	–	3,816	5,177
Others	86,255	129,245	–	–
	<u>1,281,021</u>	<u>1,126,008</u>	<u>236,950</u>	<u>222,954</u>

(b) Information about major customers

Revenue from customers contributing over 10% of the total sales of the Group from the manufacturing operating segment are as follows:

	2018 HK\$'000	2017 HK\$'000
Customer A	624,357	564,872
Customer B	<u>154,522</u>	<u>31,712</u>

4. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging/(crediting):

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Auditor's remuneration	2,034	1,954
Depreciation of property, plant and equipment	23,022	20,582
(Reversal of provision)/provision for doubtful debts	(4,662)	4,662
Allowance for obsolete inventories (included in costs of sales)	10,346	9,160
Release of prepaid land lease payments	48	47
Loss/(gain) on disposal of property, plant and equipment	129	(186)
Minimum lease payments paid under operating leases in respect of land and buildings	18,212	16,488
Increase in fair value of investment properties	–	(3,520)
Cost of inventories recognised as an expense	1,040,765	911,598
Net exchange (gain)/loss	(131)	2,578
Staff costs, including directors' emoluments	482,622	411,428
Interest income	(573)	(546)
Fair value loss/(gain) of derivative financial instrument	1,513	(674)
	<u> </u>	<u> </u>
Gross rental income from investment properties	(3,641)	(3,999)
Less: Direct operating expenses from investment properties that generate rental income during the year	–	37
	<u> </u>	<u> </u>
	<u>(3,641)</u>	<u>(3,962)</u>

5. INCOME TAX EXPENSE

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Current tax:		
Hong Kong	1,716	1,572
Other jurisdictions	1,303	979
	<u> </u>	<u> </u>
	3,019	2,551
Over-provision of the current tax in prior years:		
Hong Kong	(71)	(490)
	<u> </u>	<u> </u>
Deferred taxation		
Origination and reversal of temporary differences	(213)	412
	<u> </u>	<u> </u>
	<u>2,735</u>	<u>2,473</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

6. DIVIDENDS

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Dividends recognised as distribution during the year:		
2017 special dividend of HK\$0.05 per share (2017: 2016 final dividend of HK\$0.05 per share)	10,752	10,752
2018 interim dividend of HK\$0.05 per share (2017: 2017 interim dividend of HK\$0.05 per share)	10,752	10,752
	<u>21,504</u>	<u>21,504</u>

Dividends proposed after the end of the reporting period:

2018 final dividend of HK\$0.05 per share (2017: 2017 special dividend of HK\$0.05 per share)	10,752	10,752
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Final dividend proposed by the directors are subject to approval by the shareholders in the annual general meeting.

7. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to the owners of the Company is based on the following data:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Profit attributable to the owners of the Company for the purpose of computing basic earnings per share	12,869	5,397
	Number of shares	
	2018	2017
Number of ordinary shares for the purpose of computing basic earnings per share	215,037,625	215,037,625

No diluted earnings per share has been presented because there are no dilutive potential ordinary shares outstanding for both years.

8 INTEREST IN A JOINT VENTURE

Details of the Group's interest in the joint venture, which is accounted for using the equity method in the consolidated financial statements, are as follows:

Name of joint venture	Place of incorporation and business	Particulars of issued and paid up capital	Effective percentage of equity interest held	Principal activity
Charming Elastic Fabric Company Limited ("Charming")	Hong Kong	Ordinary — HK\$18,260,470 Deferred — HK\$810,000	49%	Manufacture of elastic garment straps

The Group has entered into a shareholders' agreement (the "Shareholders' Agreement") with New Horizon International Investments Limited ("New Horizon"), a wholly-owned subsidiary of Best Pacific International Holdings Limited, immediately after completion of the acquisition of 40% of the issued ordinary shares of Charming by New Horizon from an independent third party on 4 November 2015.

According to the Shareholders' Agreement, should Charming together with its subsidiary ("Charming Group") be able to achieve certain pre-agreed performance targets by 30 June 2017 or by 31 December 2018, New Horizon shall have the right to subscribe for new ordinary shares in Charming such that New Horizon may eventually hold up to 51% of the then entire issued ordinary shares of Charming. Further, should New Horizon eventually hold 51% of the then entire issued ordinary shares of Charming, the Group shall have the right to dispose of part or all of its interest in Charming to New Horizon up to 30 June 2022.

Based on the audited financial results of Charming Group as of 30 June 2017, the pre-agreed performance targets for Charming were met. As such, New Horizon subscribed for 71,089 new shares issued by Charming on 27 December 2017. As a result, New Horizon's shareholding in Charming increased from 40% to 51%, while the Group's shareholding in Charming diluted from 60% to 49% and a loss on deemed disposal of interest in a joint venture of HK\$3,141,000 was recognised by the Group in "Other expenses" during the current period.

Under the Shareholders' Agreement, the substantive operating and financing decisions related to Charming are under the joint control by the Group and New Horizon when the Group's shareholding in Charming is 20% or above. As a result, the Group continues to account for its interest in Charming as a joint venture both in 2017 and 2018.

9. DEBTORS AND OTHER RECEIVABLES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Trade debtors	196,814	190,639
Less: allowance for doubtful debts	—	(4,662)
	<u>196,814</u>	<u>185,977</u>
Other receivables	25,813	23,717
	<u>222,627</u>	<u>209,694</u>

(a) **Ageing analysis**

As of the end of the reporting period, the ageing analysis of trade debtors (which are included in debtors and other receivables) net of allowance for doubtful debts, based on the invoice date is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
1-90 days	160,777	162,695
91-180 days	36,037	23,282
	<u>196,814</u>	<u>185,977</u>

(b) **Impairment of trade debtors**

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly. The movement in the allowance for doubtful debts during the year is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
At 1 July	4,662	–
(Reversal of impairment loss)/impairment loss recognised	<u>(4,662)</u>	<u>4,662</u>
At 30 June	<u>–</u>	<u>4,662</u>

(c) **Trade debtors that are not impaired**

The Group allows an average credit period of 45 days (2017: 45 days) to its trade customers. Before accepting any new customers, the Group will assess the potential customer's credit quality. The management of the Company assesses the credit quality of the trade debtors based on payment due date. An ageing analysis of trade debtors based on the payment due date, at the end of the reporting period is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Neither past due nor impaired	<u>191,215</u>	<u>166,432</u>
1-30 days past due	4,167	7,496
31-60 days past due	116	56
Over 60 days past due	<u>1,316</u>	<u>394</u>
	<u>5,599</u>	<u>7,946</u>
	<u>196,814</u>	<u>174,378</u>

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

10. CREDITORS AND ACCRUED CHARGES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Trade creditors	74,951	76,467
Other creditors and accrued charges	62,553	62,833
	<u>137,504</u>	<u>139,300</u>

An ageing analysis of trade creditors based on the payment due date at the end of the reporting period is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Current	71,370	72,064
1–30 days past due	3,135	3,253
31–60 days past due	294	467
Over 60 days past due	152	683
	<u>74,951</u>	<u>76,467</u>

As the average credit period on purchases of goods is 30 days, a majority of the balances which as disclosed above are within 90 days from the invoice date. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Other creditors and accrued charges mainly represented accrued freight charges, salaries and other operating expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's operational focus is in its core Manufacturing activity, together with a Corporate cost centre.

	Revenue		Profit (loss/expenses)	
	2018 HK\$'000	2017 HK\$'000	2018 HK\$'000	2017 HK\$'000
Manufacturing	1,281,021	1,126,008	32,162	24,894
Corporate	–	–	(17,080)	(16,443)
	<u>1,281,021</u>	<u>1,126,008</u>	<u>15,082</u>	<u>8,451</u>

For the year ended 30 June 2018, the sales revenue of the Group increased by 14% to HK\$1,281 million from HK\$1,126 million of sales revenue in fiscal 2017. Profit after taxation increased by 107%, from HK\$6 million to HK\$12.3 million during the year.

MANUFACTURING

During the year, we were able to grow our revenue in US market and expanded market share in key customers. This was offset by lower sales in Europe and other region where we have made strategic decision to exit some of the accounts. Overall the revenue grew 14% year over year driven by higher volume and average selling price as we continue to optimize the customer and product mix.

In monetary terms, 63% of our sales were to the US market whilst the sales to the EU represented 26% and the rest of the world accounted for 11%. From the supply side, the overseas manufacturing facilities accounted for 65% of the global production output whilst China accounted for the remaining 35% during the year. We continue to rationalize and optimize the capacity of our manufacturing facilities and we have seen improvement in efficiency across the facilities during the year.

Gross profit margin remained flat at 18%. The positive impact from efficiency improvement was offset by the increase in labor costs in our main operating region and the appreciation of Thai Baht and RMB against US dollars during the year.

The general and administrative expenses increased by 5% during the year. Such increase is mainly due to the one-time costs associated with the closure of our Bangkok office as we consolidated all operations in Thailand to our Maesot facilities. Additionally we have continued to invest in our operations, people and commercial platform.

CORPORATE

The costs attributable to our corporate cost centre for the year amounted to HK\$17.1 million as compared to HK\$16.4 million in the previous year.

FINANCIAL POSITION

The financial position of the Group remains healthy with shareholders' funds standing at HK\$543 million as at 30 June 2018 compared with HK\$546 million at the previous year end.

Bank balances and cash stood at HK\$103 million whilst credit facilities available to the Group amounted to HK\$149 million and gearing remained at an insignificant level.

Inventory turnover period reduced to 52 days as compared to 57 days in previous year which is mainly due to the improvement in operations and supply chain management.

Capital expenditure during the year amounted to HK\$32 million which was mainly spent on machineries and leasehold improvement for factories.

FOREIGN EXCHANGE RISK

The Group is mainly exposed to fluctuations in exchange rates of Euro, HK dollars, RMB, US dollars and Thai Baht. Majority of the sales revenue are denominated in US dollars, the foreign exchange exposure in respect of US dollars against HK dollars is considered minimal as HK dollars pegged with US dollars. The Group manages its foreign exchange exposure by performing regular review and by taking prudent measures to minimize the currency translation risk.

OUTLOOK & FUTURE DEVELOPMENT

The management team believes that global economic growth is approaching the end of a business cycle. Together with the escalating trade conflicts between the US and China creates a highly volatile market environment and potential disruption to the global supply chain. To cope with these challenges and the ongoing changes in the fashion industry, the Group will continue to improve productivity and efficiency through investments in technology, people and process optimization.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the year ended 30 June 2018.

CORPORATE GOVERNANCE

The Group continues to commit itself to maintaining high standards of corporate governance principles and practices with an emphasis on enhancing transparency and accountability. The Group is also committed to ensuring the application of these principles and practices within the Group and thereby, enhancing shareholder value and benefiting our stakeholders at large.

The Company has, throughout the year under review, complied with the code provisions as set out in the Corporate Governance Code, Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), except for the following deviations:

Code Provisions A.4.1 and A.4.2

Code Provision A.4.1 provides, inter alia, that Non-executive Directors should be appointed for a specific term and subject to re-election.

Non-executive Directors of the Company are not appointed for a specific term. They are, however, subject to retirement by rotation and re-election at the annual general meetings of the Company at least once every three years in accordance with the Company’s Bye-laws.

Code Provision A.4.2 provides that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The Chairman shall not, while holding such office, be subject to retirement by rotation or taken into account in determining the number of Directors to retire in each year. In the opinion of the Board, it is important for the stability and growth of the Company that there is, and is seen to be, continuity of leadership in the role of Chairman and, in consequence, the Board is of the view that the Chairman should not be subject to retirement by rotation or hold office for a limited term at the present time.

CONFIRMATION OF INDEPENDENCE ON INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the Independent Non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules of the Stock Exchange. The Company has assessed their independence and concluded that all the Independent Non-executive Directors are independent.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules of the Stock Exchange as its own code for dealing in the securities of the Company by the Directors. Based on specific enquiry made with all Directors, the Company considers that the Directors complied with the required standard as set out in the Model Code throughout the year under review.

Employees who are likely to be in possession of inside information of the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code.

AUDIT COMMITTEE

The Audit Committee comprises Mr. Marvin Bienenfeld, Mr. Chow Yu Chun, Alexander, Ms. Leung Churk Yin, Jeanny, Mr. Leung Ying Wah, Lambert and Mr. Lin Sun Mo, Willy, all of whom are Independent Non-executive Directors of the Company.

The Audit Committee, together with the management and the Company’s external auditors, KPMG, have reviewed the accounting principles and practices adopted by the Group and discussed risk management and internal controls systems and financial reporting matters, and reviewed the financial results for the year ended 30 June 2018.

DIVIDEND

The Board has recommended the declaration of a final dividend of HK\$0.05 per share for the year ended 30 June 2018 (for the year ended 30 June 2017: a special dividend of HK\$0.05 per share) subject to the approval of shareholders of the Company (the “Shareholders”) at the forthcoming annual general meeting (“AGM”). The proposed final dividend will be paid to the Shareholders on 29 November 2018 whose names appear on the registers of members of the Company on 15 November 2018.

An interim dividend of HK\$0.05 per share for the six months ended 31 December 2017 has been paid to the Shareholders during the year ended 30 June 2018 (for the six months ended 31 December 2016: HK\$0.05 per share).

CLOSURE OF REGISTERS OF MEMBERS

(a) Entitlement to attend and vote at the 2018 AGM

The main and branch registers of members of the Company will be closed from 26 October 2018 to 31 October 2018 for the purpose of determining the shareholders' entitlement to attend and vote at the AGM. During that period, no transfer of shares will be registered. In order to qualify for the shareholders' entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 25 October 2018.

(b) Entitlement to the proposed final dividend

The main and branch registers of members of the Company will be closed from 13 November 2018 to 15 November 2018 for the purpose of determining the shareholders' entitlement to the proposed final dividend. During that period, no transfer of shares will be registered. In order to qualify for the proposed final dividend for the year ended 30 June 2018, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 12 November 2018.

EMPLOYEES

As at 30 June 2018, the Group had employed approximately 8,684 employees (30 June 2017 approximately 8,538 employees). The remuneration policy and package of the Group's employees are structured by reference to the prevailing market conditions and statutory requirements as appropriate. The Group also provides other staff benefits such as medical insurance, mandatory provident fund contributions and a share option scheme to its employees.

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

Hong Kong, 24 August 2018

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. Marvin Bienenfeld, 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.