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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 2017

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 first quarter of fiscal 2017.

MANUFACTURING

During the quarter, the severe correction of business demand negatively impacted the production performance of the plants in all locations and pressured the gross margin of the business.

The production from the overseas plants accounted for 61% of the global output whilst the Chinese plants accounted for 39% of the global output during the quarter.

SALES

The market condition remains challenging. Our sales performance during the quarter has reflected the cautious inventory management in the supply chain.

While the phenomenon may not be persistent, the volatility in demand as well as fierce competition are expected to continue well into 2017.

FINANCIAL POSITION

The financial position of the Group remains healthy with no borrowings.

* *For identification purpose only*

OUTLOOK

The outlook of the market continues to be volatile. We remain cautious and do not see an upturn in financial performance in the near future. We will continue to monitor closely our exposures to various financial risks posed by the challenges presented in the consumer market.

Given the challenging business environment, we will continue to manage the capacities of the plants effectively and focus on improving the effectiveness and efficiency of the operations by optimizing our overall business processes and strengthening our product capabilities. This would serve us to mitigate the short term challenges and provide us a solid foundation to grow the business in the long run.

The Board wishes to remind investors that the above operational update for the first quarter of fiscal 2017 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, 8 November 2016

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.