



TOP DYNAMIC

TOP DYNAMIC INTERNATIONAL HOLDINGS LIMITED
泰邦集團國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8327)

THIRD QUARTERLY RESULTS ANNOUNCEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE
STOCK EXCHANGE OF HONG KONG LIMITED**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Hong Kong Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Hong Kong Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

HIGHLIGHTS

- For the nine months and three months ended 30 September 2016, turnover of the Group was approximately HK\$190.6 million and HK\$73.5 million respectively, representing an increase of approximately 20.4% and 36.4% respectively as compared to the corresponding periods in 2015.
- For the nine months and three months ended 30 September 2016, gross profit of the Group increased by approximately 16.7% and 30.6% respectively to approximately HK\$69.9 million and HK\$27.3 million as compared to the corresponding periods in 2015.
- Profit of the Group for the nine months and three months ended 30 September 2016 amounted to approximately HK\$36.0 million and HK\$14.1 million respectively, while the Group recorded a profit of approximately HK\$17.1 million and HK\$6.7 million for the nine months and three months ended 30 September 2015 respectively.
- Basic earnings per share for the nine months ended 30 September 2016 was approximately 4.50 HK cents, and basic earnings per share for the nine months ended 30 September 2015 was approximately 3.15 HK cents.
- The Board does not recommend the payment of any interim dividend for the nine months ended 30 September 2016. During the nine months ended 30 September 2015, no interim dividend was paid or declared.

UNAUDITED RESULTS

The Board is pleased to announce the unaudited condensed consolidated financial results of the Group for the three months and nine months ended 30 September 2016 together with the unaudited comparative figures for the corresponding periods in 2015, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 30 September 2016

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2016 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2016 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)
Turnover	3	73,450	53,912	190,623	158,274
Cost of sales		<u>(46,180)</u>	<u>(33,002)</u>	<u>(120,731)</u>	<u>(98,396)</u>
Gross profit		27,270	20,910	69,892	59,878
Other income		17	874	1,303	949
Selling and distribution costs		(3,146)	(3,136)	(8,289)	(8,370)
Administrative expenses		<u>(6,413)</u>	<u>(8,884)</u>	<u>(17,481)</u>	<u>(27,100)</u>
Profit before tax		17,728	9,764	45,425	25,357
Income tax expenses	4	<u>(3,678)</u>	<u>(3,086)</u>	<u>(9,400)</u>	<u>(8,263)</u>
Profit for the period		14,050	6,678	36,025	17,094
Other comprehensive expense for the period					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
Exchange difference arising on translation of a foreign operation		<u>(670)</u>	<u>(3,270)</u>	<u>(2,497)</u>	<u>(3,262)</u>
Total comprehensive income for the period attributable to owners of the Company		<u>13,380</u>	<u>3,408</u>	<u>33,528</u>	<u>13,832</u>
Earnings per share	5				
– Basic and diluted (HK cents)		<u>1.76</u>	1.22	<u>4.50</u>	<u>3.15</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2016

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	PRC statutory reserve <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2015 (audited)	-	-	1,162	8	229	19,915	21,314
Profit for the period	-	-	-	-	-	17,094	17,094
Other comprehensive expense for the period:							
Exchange difference arising on translation of a foreign operation	-	-	-	-	(3,262)	-	(3,262)
Total comprehensive (expense) income for the period	-	-	-	-	(3,262)	17,094	13,832
Issue of new shares	600	59,400	-	-	-	-	60,000
At 30 September 2015 (unaudited)	<u>600</u>	<u>59,400</u>	<u>1,162</u>	<u>8</u>	<u>(3,033)</u>	<u>37,009</u>	<u>95,146</u>
At 1 January 2016 (audited)	8,000	104,098	2,802	8	(4,779)	44,826	154,955
Profit for the period	-	-	-	-	-	36,025	36,025
Other comprehensive expense for the period:							
Exchange difference arising on translation of a foreign operation	-	-	-	-	(2,497)	-	(2,497)
Total comprehensive (expense) income for the period	-	-	-	-	(2,497)	36,025	33,528
At 30 September 2016 (unaudited)	<u>8,000</u>	<u>104,098</u>	<u>2,802</u>	<u>8</u>	<u>(7,276)</u>	<u>80,851</u>	<u>188,483</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 10 September 2014 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its Shares have been listed on GEM since 9 October 2015.

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands. The address of the principal place of business of the Company is Office A, 31st Floor, Billion Plaza II, 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are manufacturing and trading of electronic and electrical parts and components.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial results of the Group for the three months and nine months ended 30 September 2016 are presented in HK\$ which is the same as the functional currency of the Company.

The unaudited condensed consolidated financial results of the Group for the Period have been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules and HKFRSs issued by the HKICPA under the historical cost convention.

Following the completion of the Reorganisation, the Company became the holding company of the companies now comprising the Group on 22 September 2015 as detailed in the section headed “History, Reorganisation and Group Structure” of the Prospectus. The Company and its subsidiaries now comprising the Group are under the common control of Mr. Chow Hin Keong and Mr. Chow Hin Kok (the “Controlling Shareholders”) that took part in the Reorganisation. As there was a continuation of the risks and benefits to the Controlling Shareholders and, therefore, the Reorganisation is considered to be a restructuring of entities and business under common control and the Group now comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. Accordingly, the condensed consolidated financial results for the three months and nine months ended 30 September 2015 have been prepared as if the Company had always been the holding company of the companies now comprising the Group throughout those periods, using the principles of merger accounting with reference to Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA.

The condensed consolidated statement of profit or loss and other comprehensive income and the condensed consolidated statement of changes in equity include the results of the companies now comprising the Group as if the current group structure had been in existence throughout the three months and nine months ended 30 September 2015.

The basis of preparation and accounting policies adopted in preparing these unaudited condensed consolidated financial results for the three months and nine months ended 30 September 2016 are consistent with those adopted in the preparation of the Group's annual report for the year ended 31 December 2015, except for the adoption of the new and revised HKFRSs. The Group has adopted new or revised HKFRSs which are effective for accounting periods commencing on or after 1 January 2016.

The adoption of the new and revised HKFRSs did not have any significant effect on these unaudited condensed consolidated financial results.

The Group has not early adopted any new and revised HKFRSs that have been issued but are not yet effective.

The unaudited condensed consolidated financial results have not been audited nor reviewed by the auditor of the Company, but have been reviewed by the audit committee of the Company and were approved for issue by the Board.

The preparation of the unaudited condensed consolidated financial results in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Group's accounting policies.

3. TURNOVER

The principal activities of the Group are manufacturing and trading of electronic and electrical parts and components.

An analysis of the Group's turnover for the three months and nine months ended 30 September 2016 is as follows:

	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Manufacturing business	57,646	39,641	148,800	113,655
Trading business	15,804	14,271	41,823	44,619
	<u>73,450</u>	<u>53,912</u>	<u>190,623</u>	<u>158,274</u>

4. INCOME TAX EXPENSES

The Group calculates the period income tax expenses using the tax rates that would be applicable to the expected total annual earnings. The major components of income tax expenses in the unaudited condensed consolidated statement of profit or loss and other comprehensive income are:

	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current tax				
Hong Kong Profits Tax	1,913	1,159	5,214	3,855
PRC Enterprise Income Tax	1,765	1,927	4,186	4,439
	<u>3,678</u>	<u>3,086</u>	<u>9,400</u>	<u>8,294</u>
Deferred tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31)</u>
	<u><u>3,678</u></u>	<u><u>3,086</u></u>	<u><u>9,400</u></u>	<u><u>8,263</u></u>

- (i) Pursuant to the rules and regulations of the BVI and the Cayman Islands, the Group is not subject to any income tax in these jurisdictions for the nine months ended 30 September 2016 and 2015.
- (ii) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the nine months ended 30 September 2016 and 2015.
- (iii) 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 subsidiary registered in the PRC is 25% for the nine months ended 30 September 2016 and 2015.

5. EARNINGS PER SHARE

Basic earnings per share

The calculation of the basic earnings per share attributable to owners of the Company for the three months and nine months ended 30 September 2016 is based on the unaudited profits for the periods of approximately HK\$14,050,000 (2015: HK\$6,678,000) and HK\$36,025,000 (2015: HK\$17,094,000) respectively and on the weighted average number of approximately 800,000,000 (2015: 545,870,000) and 800,000,000 (2015: 541,978,000) ordinary shares for the three months and nine months ended 30 September 2016 respectively of HK\$0.01 each in issue after taking into account the Capitalisation Issue.

Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share for the three months and nine months ended 30 September 2016 and 2015 as there were no potential dilutive ordinary shares outstanding during these periods.

6. DIVIDEND

No interim dividend was paid or proposed during the nine months ended 30 September 2016, nor has any interim dividend been proposed since the end of the Period (2015: nil).

7. APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

The unaudited condensed consolidated financial results were approved and authorised for issue by the Board on 9 November 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

The Group is principally engaged in the assembly, packaging and sale of its self-manufactured discrete semiconductors and trading of semiconductors sourced from third-party suppliers.

The scale of the Group's manufacturing business has demonstrated a moderate growth during the Period as compared to the same period of last year, which was attributable to the expansion of the Group's existing production lines for its SOT26 and DFN1006 products, as well as the commencement of mass production of the Group's new SOT563 products, a third generation mainstream package, in the first quarter of 2016. The Group's SOT563 products feature surface mount package suitable for automated insertion, as well as a wide variety of available configurations. Its principal applications include LED televisions, portable electronic equipment and display monitors, and it is well accepted in the industry.

During the Period, the Group has also expanded its self-manufactured product offerings to include (i) the DFN1608 packages, which is an ultra slim and leadless package. The design of the package has excellent heat dissipation performance. Its principal applications include smart phones, power tools and mobile phone chargers; (ii) the DFN2510 packages, which is integrated with a multi-channel product that can substitute four single channel products to save cost. Its principal applications include various display port interface and tablets; (iii) the ABF packages, which is a small-package sized surface mount package suitable for automated insertion. Its principal applications include lighting, portable devices and power supplies; (iv) the SMAF packages, which can substitute SMA packages without modification to printed circuit boards and having only half the height of SMA packages. Its principal applications include LED televisions and mobile phone chargers. It is expected that SMA packages will gradually phase out and will be replaced by SMAF packages; and (v) the SOT363 packages, which is in between the size of SOT26 and SOT563 packages we are currently manufacturing. Its principal applications include LED televisions, portable electronic equipment as well as display monitors. As the Group's manufacturing business continues to grow, an increasing portion of the Group's turnover was derived from sales of its self-manufactured products during the Period as compared to the same period of last year.

In addition to its manufacturing business, the Group continues to operate its trading business during the Period, primarily to complement its sales of self-manufactured products. The Group acts as a solution kits integrator and is engaged in trading of semiconductors that its customers specifically require, but which are not manufactured by the Group. As the product mix required by its customers varies from time to time, and given the widening of the Group's self-manufactured product offerings to meet its customers' demand, the Group's trading segment saw a decrease in revenue during the Period as compared to the corresponding period in the last year. However, as a result of a different mix of trading products ordered by its customers during the Period, segment profit improved as compared to the corresponding period in the last year.

The Group also continues to provide tailor-made engineering solutions services that cater for its customers' product design needs during the Period. Although the Group amortises its value-added engineering solutions services into its unit sales prices and does not record them as separate sources of turnover, the Group believes that they have enhanced demand for the Group's products. The Group believes that its understanding of its customers' needs and its ability to deliver high quality products and value-added solution kits services and engineering solutions services have been the key to its success in maintaining stable relationships with its existing customers and attracting new customers.

The number of the Group's direct customers increased from 100 as at 30 September 2015 to 119 as at 30 September 2016.

Financial review

Turnover

The turnover of the Group amounted to approximately HK\$190.6 million for the Period, representing a moderate increase of approximately HK\$32.3 million, or 20.4% from approximately HK\$158.3 million for the same period of last year. Such increase was primarily attributable to the growth of the Group's manufacturing business.

As the Group's manufacturing business grows, the turnover derived from sales of its self-manufactured products increased during the Period as compared to the same period of last year. The production volume of the Group's manufacturing segment witnessed an overall growth during the Period as compared to the same period of last year.

The Group's trading of products primarily complements its sales of self-manufactured products when it provides solution kits services to its customers. The turnover derived from the Group's trading business decreased during the Period as compared to the same period of last year primarily as a result of different product mix requirements by its customers, and that part of their demand has been satisfied by the introduction of the Group's new products during the fourth quarter of 2015 and in 2016.

Gross profit and gross profit margin

The Group's gross profit amounted to approximately HK\$69.9 million for the Period, representing an increase of approximately HK\$10.0 million, or 16.7% from approximately HK\$59.9 million for the same period of last year, which was in line with the increase in the Group's turnover during the Period. The Group's gross profit margin for the Period slightly decreased by approximately 1.1% to approximately 36.7% as compared to approximately 37.8% for the same period of last year. Such decrease was primarily attributable to a decrease in both the sales volume and profit margin of the Group's SOD123FL packages during the Period as a result of varying customer demand.

Profit before tax

The Group's selling and distribution costs for the Period amounted to approximately HK\$8.3 million, which was about the same as that for the same period of last year. At the same time, the Group's administrative expenses decreased by approximately 35.4%, or HK\$9.6 million as compared to approximately HK\$27.1 million for the same period of last year, primarily reflecting the net effect of a decrease in listing-related expenses during the Period as compared to the corresponding period in 2015, and increases in compliance-related professional fees upon Listing and trademark amortisation expenses. As a result, along with the increase in the Group's gross profit for the Period as compared to that in the corresponding period in 2015, the Group's profit before tax increased by approximately HK\$20.0 million, or 78.7% to approximately HK\$45.4 million for the Period from approximately HK\$25.4 million for the same period of last year.

Income tax expenses

The Group's income tax expenses for the Period increased by approximately 13.3%, or HK\$1.1 million as compared to approximately HK\$8.3 million for the same period of last year. Such increase in the Group's income tax expenses was mainly as a result of the increase in the Group's profit before tax during the Period.

Profit for the Period and total comprehensive income attributable to owners of the Company

The Group's profit for the Period increased by approximately 110.5%, or HK\$18.9 million to approximately HK\$36.0 million as compared to approximately HK\$17.1 million for the same period of last year, which was primarily attributable to the Group's increased turnover during the Period and the decrease in administrative expenses incurred in connection with the Listing.

Net profit margin for the Period is calculated by dividing the profit for the Period by turnover for the Period. The Group's net profit margin was approximately 18.9% as compared to approximately 10.8% for the same period of last year as a result of the foregoing.

As a result of the foregoing, the Group's total comprehensive income attributable to owners of the Company amounted to approximately HK\$33.5 million for the Period, representing an increase of approximately HK\$19.7 million, or 142.8% from approximately HK\$13.8 million for the same period of last year.

RESERVES

Movements in the reserves of the Group for the nine months ended 30 September 2016 are set out in the unaudited condensed consolidated statement of changes in equity in this announcement.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the nine months ended 30 September 2016. During the nine months ended 30 September 2015, no interim dividend was paid or declared.

BUSINESS PROSPECT

The competitive landscape in the market has generally remained consistent during the Period with that of 2015 and the Group has adhered to its existing business strategies and achieved an encouraging overall business growth from the previous year. However, in light of the economic and market uncertainties ahead, the Group will adopt a prudent approach in implementing expansion plans as stated in the Prospectus and closely monitor the market with a view to reacting to market changes with appropriate countermeasures in the interests of the Company and Shareholders.

The Group remains cautiously optimistic on achieving business growth in the foreseeable future. Since the Group generally achieves a higher gross profit margin on its self-manufactured products than its trading products, it intends to continue to improve its profitability through offering more self-manufactured products to attain a higher overall gross profit margin.

In light of customers' indication of demand and advance orders placed, the Group has accelerated its expansion of production lines for certain types of its products in 2016. However, in light of the global economic uncertainties brought by, among other things, the United Kingdom's impending exit from the European Union which could potentially affect the customers' demands, the Group will adopt a prudent approach towards production line expansions and increases in the range of its product offerings, while keeping its business focus on technologically advanced products and striving to remain competitive and responsive to market trends.

Notwithstanding economic uncertainties ahead, the Group believes that there will continue to be significant demand for packages with increased input/output density, smaller size and better heat dissipation characteristics, and plans to focus on manufacturing of SOT series packages including SOT26 and SOT563, and DFN series packages including DFN0603 and DFN1006. The Group has successfully introduced its new DFN0603 products in the first half of 2016, which is of a size of 0.61mm x 0.32mm x 0.3mm, about half the size of its DFN1006 products. Mass production run of its DFN0603 products will be commenced in the fourth quarter of 2016. The management is also evaluating market interests in SOT723 packages and reviewing the implementation timetable of setting up of the SOT723 packages production line, subject to the latest market trends.

The Group also intends to maintain and continue to build its knowledge base of designs and engineering solutions to expand the range of value-added services and strengthen the quality of products and services it delivers. To achieve this goal, the Group intends to increase, as necessary, its investment in its engineering and quality management teams and to recruit additional experts to enhance application and development capabilities so that it can offer the most efficient value-added services to its customers. The Group will continue to strengthen and streamline its inter-departmental cooperation to keep its product offerings and market intelligence up-to-date in order for its application and development engineers to develop and introduce new designs and engineering solutions that would help its customers to stay abreast of the latest developments in technology.

COMPETING INTERESTS

None of the Directors or controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) has any interest in a business which competed or might compete with the business of the Group or has any other conflict of interest with the Group during the Period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising Shareholders' interests.

During the Period, the Company has complied with the code provisions of the CG Code as may be applicable.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 23 September 2015. The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 30 September 2016.

AUDIT COMMITTEE

The Company established an audit committee on 23 September 2015 with written terms of reference in compliance with the GEM Listing Rules.

The primary duties of the audit committee are to review and supervise the financial reporting process of the Group. It also reviews the effectiveness of both the external audit and internal controls and risk evaluation system. The audit committee comprises three independent non-executive Directors, namely Ms. Man Oi Yuk Yvonne (chairperson of audit committee), Ms. Wong Sau Ying and Ms. Chan Mei Po.

The audit committee has reviewed this announcement and the Group's unaudited condensed consolidated financial results for the nine months ended 30 September 2016 and is of the opinion that the preparation of such results complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's securities during the Period.

INTEREST OF COMPLIANCE ADVISER

The Company has received confirmation from its compliance adviser, Celestial Capital Limited (the "Compliance Adviser"), that as at 30 September 2016, except for the compliance adviser's agreement entered into between the Company and the Compliance Adviser dated 24 June 2015 in connection with the Listing, neither the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company or any member of the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"ABF"	a very thin type of bridge rectifier package which is manufactured using clip bonding technique for more advanced thinner portable electronic devices
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"Capitalisation Issue"	the issue of 539,999,960 Shares made upon the capitalisation of certain sums standing to the credit of the share premium account of the Company pursuant to the written resolutions of the Shareholders passed on 23 September 2015
"CG Code"	Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules

“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Company”	Top Dynamic International Holdings Limited 泰邦集團國際控股有限公司, a company incorporated as an exempted company with limited liability in the Cayman Islands
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented and/or otherwise modified from time to time as the context may require
“Group”	the Company and its subsidiaries
“HKFRSs”	Hong Kong Financial Reporting Standards issued by the HKICPA
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HK\$” or “HK dollar(s)” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing”	the listing of the Shares on GEM of the Hong Kong Stock Exchange on 9 October 2015
“Period”	the nine months ended 30 September 2016
“PRC”	the People’s Republic of China, save that, for the purpose of this announcement and unless the context otherwise requires, references in this announcement do not include Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Prospectus”	the prospectus of the Company dated 30 September 2015 issued in connection with the Listing
“Reorganisation”	the reorganisation of the Company in connection with the Listing, details of the Reorganisation are set out in the paragraph headed “Reorganisation” in the section headed “History, Reorganisation and Group Structure” of the Prospectus
“Scheme”	the share option scheme adopted by the Shareholders on 23 September 2015
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“SMA”	a small outline plastic surface mount package diode which is mainly used in traditional power circuit
“SMAF”	a flat lead small outline plastic surface mount package diode with a thinner body, which is manufactured using clip bonding technique. SMAF has a better stability electrical characteristic than traditional SMA
“%”	per cent

By Order of the Board
Top Dynamic International Holdings Limited
Chow Hin Keong
Chairman

Hong Kong, 9 November 2016

As at the date of this announcement, the executive Directors are Mr. Chow Hin Keong and Mr. Chow Hin Kok and the independent non-executive Directors are Ms. Wong Sau Ying, Ms. Chan Mei Po and Ms. Man Oi Yuk Yvonne.

*This announcement will remain on the GEM website at **www.hkgem.com** on the “Latest Company Announcements” page for at least seven days from the date of its posting and will also be published on the Company’s website at **www.topdynamicintl.com**.*