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)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 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 in this announcement misleading.

ANNUAL RESULTS

The Board is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2016 together with the audited comparative figures for the preceding financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Notes	**2016** *HK$'000*	2015 *HK$'000*
Turnover	*4*	**254,493**	215,273
Cost of sales		**(161,321)**	(132,921)
Gross profit		**93,172**	82,352
Other income		**683**	1,623
Selling and distribution costs		**(11,161)**	(11,310)
Administrative expenses		**(24,808)**	(34,977)
Profit before tax		**57,886**	37,688
Income tax expenses	*5*	**(12,105)**	(11,137)
Profit for the year	*6*	**45,781**	26,551
Other comprehensive expense for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of a foreign operation		**(6,142)**	(5,008)
Total comprehensive income for the year attributable to owners of the Company		**39,639**	21,543
Earnings per share	*8*		
– Basic and diluted *(HK cents)*		**5.72**	4.41

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Notes	2016 HK$'000	2015 HK$'000
Non-current assets			
Plant and equipment		**85,876**	60,474
Intangible asset		**–**	1,681
Prepayment for plant and equipment		**2,451**	3,889
		88,327	66,044
Current assets			
Inventories		**27,494**	18,781
Trade and other receivables	*9*	**58,888**	47,315
Pledged deposit		**5,063**	5,035
Bank balances and cash		**79,205**	72,466
		170,650	143,597
Current liabilities			
Trade and other payables	*10*	**61,751**	49,755
Tax payables		**2,459**	4,705
		64,210	54,460
Net current assets		**106,440**	89,137
Total assets less current liabilities		**194,767**	155,181
Non-current liability			
Deferred tax liabilities		**173**	226
		194,594	154,955
Capital and reserves			
Share capital		**8,000**	8,000
Reserves		**186,594**	146,955
		194,594	154,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2016

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 10 September 2014 as an exempted company with limited liability under the Cayman 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. Its ultimate controlling parties are Mr. Chow Hin Keong and Mr. Chow Hin Kok.

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

The consolidated financial statements are presented in HK$, which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

Pursuant to 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") throughout the year ended 31 December 2015 or since their respective dates of incorporation or establishment up to 31 December 2015. 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 consolidated financial statements have been prepared as if the Company had always been the holding company of the companies now comprising the Group throughout the year ended 31 December 2015, using the principles of merger accounting with reference to Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA.

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for year ended 31 December 2015 include the results and cash flows of the companies now comprising the Group have been prepared as if the current group structure had been in existence throughout the year ended 31 December 2015.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKAS(s)"), amendments and Interpretations ("Int(s)"), issued by the HKICPA.

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations

The application of the above new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9 (2014)	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]
HKFRS 16	Leases[3]
Amendments to HKAS 7	Disclosure Initiative[1]
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[2]
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[2]

[1] Effective for annual periods beginning on or after 1 January 2017.

[2] Effective for annual periods beginning on or after 1 January 2018.

[3] Effective for annual periods beginning on or after 1 January 2019.

[4] Effective date not yet been determined.

The Directors anticipate that, except as described below, the application of the other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an "expected credit loss" model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 9 (2014) Financial Instruments (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The Directors are in the process of assessing the impacts on the consolidated financial statements.

HKFRS 15 Revenue from Contracts with Customers

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

i) Identify the contract with the customer;

ii) Identify the performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when (or as) the entity satisfies a performance obligation.

HKFRS 15 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The Directors are in the process of assessing the impacts on the consolidated financial statements.

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 *Property, Plant and Equipment*, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

HKFRS 16 will supersede the current lease standards including HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 *Revenue from Contracts with Customers* at or before the date of initial application of HKFRS 16.

The Directors are in the process of assessing their impact on the consolidated financial statements of these requirements.

4. TURNOVER AND SEGMENT INFORMATION

Information reported to the Board, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are manufacturing and trading as follows:

a) Manufacturing segment engages in selling of electronic and electrical parts and components manufactured by the Group.

b) Trading segment engages in trading of electronic and electrical parts and components sourced from third-party suppliers.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the method used to distribute the products and/or the nature of production processes.

Despite that all of the Group's products are of a similar nature, they are subject to dissimilar risks and returns. Accordingly, the Group's operating activities are attributable to manufacturing and trading segments.

Segment revenue represents revenue derived from the manufacturing and trading of electronic and electrical parts and components.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Manufacturing		**Trading**		**Total**	
	2016	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**200,984**	155,579	**53,509**	59,694	**254,493**	215,273
Segment profit	**75,414**	64,941	**6,597**	6,101	**82,011**	71,042
Unallocated income					**683**	1,623
Unallocated expenses					**(24,808)**	(34,977)
Profit before tax					**57,886**	37,688

Segment profit represents the profit earned by each segment without allocation of certain administrative expenses and other income. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

4. TURNOVER AND SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	2016	2015
	HK$'000	*HK$'000*
SEGMENT ASSETS		
Manufacturing	**158,720**	113,578
Trading	**13,078**	13,912
Unallocated	**87,179**	82,151
Total assets	**258,977**	209,641
SEGMENT LIABILITIES		
Manufacturing	**41,129**	27,052
Trading	**14,920**	18,212
Unallocated	**8,334**	9,422
Total liabilities	**64,383**	54,686

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain plant and equipment for administrative purpose, intangible asset, certain other receivables and prepayments, pledged deposit and bank balances and cash as these assets are managed on a group basis; and

- all liabilities are allocated to operating segments other than certain other payables, tax payables and deferred tax liabilities as these liabilities are managed on a group basis.

4. TURNOVER AND SEGMENT INFORMATION (Continued)

Other segment information

	Manufacturing	Trading	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Amounts included in the measure of segments profit or segment assets				
Year ended 31 December 2016				
Loss on disposal of plant and equipment	**–**	**–**	**12**	**12**
Depreciation of plant and equipment	**8,038**	**–**	**1,706**	**9,744**
Amortisation of intangible asset	**–**	**–**	**1,681**	**1,681**
Additions to non-current assets	**37,606**	**–**	**878**	**38,484**
Year ended 31 December 2015				
Loss on disposal of plant and equipment	–	–	15	15
Depreciation of plant and equipment	5,919	–	1,597	7,516
Amortisation of intangible asset	–	–	919	919
Additions to non-current assets	17,592	–	4,021	21,613

4. TURNOVER AND SEGMENT INFORMATION (Continued)

Geographical information

Information about the Group's revenue from external customers is presented based on the geographical location of customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Hong Kong	PRC (excluding Hong Kong)	Asia (excluding Korea, the PRC and Hong Kong)	Korea	Europe and other	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers						
Year ended 31 December 2016	**55,847**	**78,313**	**19,523**	**90,944**	**9,866**	**254,493**
Year ended 31 December 2015	22,916	75,590	21,681	84,364	10,722	215,273
Non-current assets						
As at 31 December 2016	**2,148**	**86,179**	**–**	**–**	**–**	**88,327**
As at 31 December 2015	4,100	61,944	–	–	–	66,044

Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group are as follows:

	2016	2015
	HK$'000	*HK$'000*
Customer A[1]	**26,997**	N/A[2]
Customer B[1]	**26,714**	N/A[2]
Customer C[1]	**25,919**	N/A[2]

[1] Customers of the Group's manufacturing and trading segments.

[2] The corresponding revenue did not contribute over 10% of the total revenue of the Group.

5. INCOME TAX EXPENSES

	2016	2015
	HK$'000	*HK$'000*
Current tax		
Hong Kong Profits Tax	**6,632**	5,579
PRC Enterprise Income Tax	**5,526**	5,721
	12,158	11,300
Over provision in prior years		
Hong Kong Profits Tax	**–**	(39)
	12,158	11,261
Deferred tax	**(53)**	(124)
	12,105	11,137

(a) Pursuant to the rules and regulations of the BVI and Cayman Islands, the Group is not subject to any income tax in these jurisdictions for both years.

(b) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

(c) 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 both years.

6. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2016	2015
	HK$'000	*HK$'000*
Listing expenses	**–**	13,247
Auditors' remuneration	**680**	641
Amount of inventories recognised as expenses	**161,321**	132,921
Depreciation of plant and equipment	**9,744**	7,516
Amortisation of intangible asset	**1,681**	919
Loss on disposal of plant and equipment	**12**	15
Operating lease rentals in respect of rented premises	**1,790**	1,447
Emoluments of the Directors and chief executive	**3,016**	2,773
Other staff costs:		
Salaries and allowances	**22,380**	18,138
Retirement benefits scheme contributions	**2,704**	2,371
Total staff costs including emoluments of directors and chief executive	**28,100**	23,282

7. DIVIDEND

No dividend was paid or proposed during the year ended 31 December 2016, nor has any dividend been proposed since the end of the reporting period (2015: nil).

8. EARNINGS PER SHARE

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

Basic earnings per share

	2016	2015
Earnings		
Earnings for the purpose of basic earnings per share		
– Profit for the year attributable to owners of the Company	**HK$45,781,000**	HK$26,551,000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share *(Note)*	**800,000,000**	602,630,000

Note:

The weighted average number of ordinary shares in issue during the year ended 31 December 2015 has been adjusted for the effects of the Reorganisation, the Loan Capitalisation, the Capitalisation Issue and the Subdivision.

Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share for each of the years ended 31 December 2016 and 2015 as there were no dilutive potential ordinary shares outstanding during both years.

9. TRADE AND OTHER RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Trade receivables	**43,263**	35,402
Deposits and other receivables	**3,071**	2,440
Prepayments	**12,554**	9,473
	58,888	47,315

9. TRADE AND OTHER RECEIVABLES (Continued)

The Group does not hold any collateral over its trade and other receivables. No impairment of trade and other receivables had been recognised during the years ended 31 December 2016 and 2015.

The Group allows a credit period of 0 to 90 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

	2016	2015
	HK$'000	*HK$'000*
Within 3 months	**42,299**	34,578
Over 3 months but less than 6 months	**964**	824
	43,263	35,402

The Group's policy for impairment loss on trade receivables is based on an evaluation of collectability and aged analysis of the receivables which requires the use of judgment and estimates. Impairment would be applied to the receivables when there are events or changes in circumstances indicate that the balances may not be collectible. The management of the Group closely reviews the trade receivables balances and any overdue balances on an ongoing basis and assessments are made by the management on the collectability of overdue balances.

The following is an aged analysis of trade receivables presented based on the due date at the end of the reporting period:

	2016	2015
	HK$'000	*HK$'000*
Current	**43,139**	34,501
Overdue within 3 months	**124**	751
Overdue 3 months to 6 months	**–**	150
	43,263	35,402

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

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK$124,000 (2015: HK$901,000) as at 31 December 2016 which are past due at the end of the reporting period for which the Group has not provided for impairment loss. Receivables that were past due but not impaired related to a number of independent customers with no recent history of default.

10. TRADE AND OTHER PAYABLES

	2016	2015
	HK$'000	*HK$'000*
Trade payables	**44,967**	41,625
Payables for plant and equipment	**5,606**	180
Receipt in advance	**98**	–
Accruals and other payables	**11,080**	7,950
	61,751	49,755

Included in the Group's accruals and other payables as at 31 December 2016 were accrued directors' emoluments of approximately HK$383,000 (2015: HK$482,000). The amount is unsecured, interest-free and repayable on demand.

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

	2016	2015
	HK$'000	*HK$'000*
Within 3 months	**40,410**	33,782
Over 3 months but less than 6 months	**4,557**	7,843
	44,967	41,625

The credit period on purchases of goods ranged from 30 to 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

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

The Group's manufacturing business has exhibited moderate growth during the Period when compared to the previous year, and in line with its established business strategy, an increasing portion of the Group's turnover was derived from sales of its self-manufactured products during the Period as compared to the last year. The Group believes that there will continue to be a growing demand for packages with increased input/output density, smaller size and better heat dissipation characteristics. In light of such growing demand and the increasing utilisation of its SOT26 production line, the Group has deployed the net proceeds raised from the Placing to acquire during the Period additional equipment to enhance the production lines for the production of its SOT26, SOT563, DFN0603 and DFN1006 packages.

During the Period, the Group has successfully commenced mass production of its new products including:

(i) the SOT563 packages (the third generation mainstream packages) feature surface mount package suitable for automated placement, as well as a wide variety of available configurations. Its principal applications include OLED televisions, portable electronic equipment and display monitors, and it is well accepted in the industry;

(ii) the DFN0603 packages (the fourth generation mainstream packages) are of a size of 0.61 mm x 0.32 mm x 0.3 mm, about half the size of the Group's other existing DFN series packages. Its principal applications include computers and peripherals, digital cameras, smart phones, mobile phone accessories, network communication devices and portable electronics;

(iii) 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, HDMI, LAN/WAN equipment, MDDI ports, serial ATA and UDI;

(iv) the ABF packages, which is a small-package sized surface mount package suitable for automated placement. Its principal applications include LED driver power supplies, portable devices and power supplies;

(v) 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 lighting, mobile phone chargers and polarity protection. It is expected that SMA packages will gradually phase out and will be replaced by SMAF packages; and

(vi) the SOT363 packages, which is in between the size of SOT26 and SOT563 packages the Group is currently manufacturing. Its principal applications include OLED televisions, portable electronic equipment as well as display monitors.

The Group has also expanded its existing self-manufactured product offerings to include:

(i) the DFN1006 packages, which is a thin profile and surface mount package. Its principal applications include smart phones, automotive application, communication systems, computers and peripherals;

(ii) 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 supplies and mobile phone chargers; and

(iii) the SOT26 packages, which is generally smaller in size and more cost competitive as compared to part of SOD series packages.

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 last year.

In addition to its manufacturing business, the Group continues to operate its trading business during the Period, primarily to complement sales of its 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 turnover during the Period as compared to the last year. However, as a result of a different mix of trading products ordered by its customers during the Period, segment profit margin improved as compared to 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 the unit selling prices of its products and does not record them as separate sources of turnover, the Group believes that they have enabled it to create demand for its 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 customers increased from 102 as at 31 December 2015 to 126 as at 31 December 2016.

Having achieved an overall encouraging results for the Period, the Group will remain cautious in evaluating and implementing its business strategies going forward in face of recent currency fluctuations and worldwide economic uncertainties, as well as potential increases in the costs of raw materials.

Comparison of Business Objectives with Actual Business Progress

The table below sets out the Directors' analysis by comparing the business objectives of the Group as set out in the Prospectus with the Group's achievement of these objectives up to 31 December 2016. These business objectives are in place with a view to generating long-term value to the Company and the Shareholders.

Business Objectives	Actual Business Progress up to 31 December 2016
1. Continue to increase sales of the Group's self-manufactured products and penetrate markets with growth opportunities	Approximately 79.0% of the Group's turnover for the year ended 31 December 2016 was derived from sales of its self-manufactured products, representing an increase from 2015 where sales of the Group's self-manufactured products accounted for approximately 72.3% of its turnover for that year. In light of customers' indication of demand and advance orders for SOT563 packages, the Group has pushed forward its SOT563 production line development plan and mass production run commenced in the first quarter of 2016. The management has evaluated the expansion of the Group's product offering to include SOT723 packages, and after studying the market indication of interests in SOT723 packages, the management has expanded and will, in the deployment of resources, prioritise further expansion of the Group's more profitable DFN1006 series packages production lines in light of market indication of an increasing demand, and put on hold the setting up of the new SOT723 packages production line subject to any increase in further demand. The Group participated in product exhibitions including the Global Sources Exhibitions in April 2016 and the Taipei International Electronics Show in October 2016 with a view to introducing its products and brands to potential customers. The number of the Group's customers increased from 102 as at 31 December 2015 to 126 as at 31 December 2016.

Business Objectives	Actual Business Progress up to 31 December 2016
2. Continue to introduce technologically advanced products and diversify the Group's presence in industries which it considers to have high potential	The Group has successfully introduced its new DFN0603 products, which is of a size of 0.61 mm x 0.32 mm x 0.3 mm, about half the size of the Group's other existing DFN series products in commercial production, and carries a higher profit margin as compared to the average profit margin of the Group's other product offerings. Mass production of this product commenced in the fourth quarter of 2016. The Group has also successfully developed its SOT563 products and mass production of this product commenced in the first quarter of 2016. In addition, the Group has continued to expand its self-manufactured products mix to include the new DFN2510, ABF, SMAF and SOT363 packages in meeting customers' demand. The Group has also successfully expanded its customer base to new customers in the automotive industry during the Period.
3. Continue to focus on value-added services to customers	The Group has continued to review the performance of its existing engineering and quality management team and evaluate the need and possible time frame for increasing its investment in its engineering and quality management team in order to enhance its application and development capabilities to offer the most efficient value-added services to its customers. For example, the Group's engineering and quality management staff has increased from 45 as at 31 December 2015 to 62 as at 31 December 2016. The Group has also acquired additional reliability testing facilities during the Period. In addition, the Group has also acquired ISO/TS 16949:2009 certification in November 2016 for its quality management system relating to the design and development, production and, when relevant, installation and service of automotive-related products.

Business Objectives	Actual Business Progress up to 31 December 2016
4. Continue to attract and retain top talent in the industry	The Group's staff count has grown along with the operation scale of the Group during the Period, and the number of its full-time employees expanded from 244 as at 31 December 2015 to 298 as at 31 December 2016. The Group has continued to review its staff performance vis-a-vis the Group's current business scale and will consider further recruitment as and when the management considers appropriate.

Principal Risks and Uncertainties

The principal risks and uncertainties in implementing the Group's business strategies include the following:

(i) if the Group is unable to obtain additional packaging equipment or facilities in a timely manner and at a reasonable cost, its competitiveness and future profitability could be adversely affected;

(ii) the Group's production capacity may not correspond precisely to its production demands, and any significant increase in its idle or unutilised production capacity during any particular period could adversely affect the Group's operating results in that period; and

(iii) the Group relies on the stable operation of its production facilities and there is no assurance that its production would be free of disruptions in the future.

In addressing these risks and uncertainties, the Group will take a cautious approach when considering new purchases of equipment and machinery and will only do so if and when the Directors consider it to be in the interest of the Group to do so. The Group has also implemented a maintenance system for its facilities and equipment, which includes regular maintenance and repairs, and regular inspections of facilities and equipment. This allows the Group to operate its production lines at optimal levels. The Group carries out routine cleaning and maintenance of its equipment to enhance its useful life. The Group also conducts major annual maintenance work. The Group's maintenance system aims to maintain operational efficiency and high-quality control standards. The Group has not experienced any material or prolonged interruptions to its manufacturing process due to equipment or machinery failure during the Period.

The other risks and uncertainties incidental to the Group's business operations are detailed further in the Prospectus.

Use of Proceeds from the Placing

Net proceeds in the amount of approximately HK$40.8 million were raised from the Placing. During the Period, approximately HK$17.0 million from the net proceeds raised from the Placing has been applied towards the purchase of equipment for the expansion of the Group's production lines including that for its SOT26, DFN1006 and DFN0603 packages, and its SOT563 packages (developed earlier than scheduled in light of customers' demand).

As at 31 December 2016, the unused net proceeds from the Placing of approximately HK$7.1 million have been placed as interest-bearing deposits with a licensed bank in Hong Kong.

Business Outlook

Following the Group's successful introduction of its new DFN0603 packages to the market during the Period, the management has evaluated market interests in SOT723 packages and compared market responses of SOT723 packages with the Group's existing DFN1006-3 packages, the management has noted that DFN series packages generally carry a higher profit margin than the average profit margin of the Group's other products offerings and that the DFN1006-3 packages are better-received by existing and potential customers, as the lead-free DFN1006-3 packages provide an equivalent or better performance than SOT723 packages whilst occupying only 40% of the printed circuit board area and DFN1006-3 packages have an off board height of 0.4 mm or 0.5 mm, making it ideal for thin profile consumer electronic products. DFN1006-3 packages can also increase the product reliability, and it can be applied in a broad range of portable electronic products, such as digital cameras, tablets, smart phones and other high-end portable consumer electronics products. After studying the market indication of interests in SOT723 packages, the management will, in the deployment of resources, prioritise further expansion of the Group's more profitable DFN1006 series packages production lines in light of market indication of an increasing demand, and put on hold the setting up of the new SOT723 packages production line subject to any further increase in demand.

In 2017, the Group will continue its effort in further expanding its production facilities with a view to achieving further growth for the Group through increasing its production capacity for selected products, and offering new products to capture a wider customer base in the PRC, Hong Kong, and other overseas markets.

Business Outlook (Continued)

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 its investment in its engineering and quality management team via, for example, acquisition of additional reliability testing facilities and recruiting additional experts as and when appropriate to enhance application and development capabilities so that it can offer the most efficient value-added services to its customers. The Group will also strengthen 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.

The competitive landscape in the market has generally remained consistent during the Period with that of 2015 and the Group adhered to its existing business strategies and achieved an encouraging overall business growth from the previous year. The Group intends to adhere to a prudent and pragmatic approach in implementing its expansion plans for its production facilities and closely monitor the market with a view to reacting to market changes with appropriate countermeasures in the interests of the Company and its Shareholders.

Financial Review

Turnover

For the year ended 31 December 2016, the Group recorded turnover of approximately HK$254.5 million (2015: HK$215.3 million), representing an increase of approximately 18.2% when compared to the previous year. The increase in turnover was primarily attributable to the increase in the sales of the Group's self-manufactured products as a result of its continuous effort in expanding its customer base and production capacity during the Period.

The Group's turnover attributable to its self-manufactured products recorded a significant growth of approximately 29.2% from approximately HK$155.6 million for the year ended 31 December 2015 to approximately HK$201.0 million for the year ended 31 December 2016. The increase was primarily attributable to the expansion in the Group's existing production lines for its SOT26, DFN1006 and DFN1608 packages, as well as the commencement of mass production of the Group's new SOT563, DFN0603, DFN2510, ABF, SMAF and SOT363 packages.

The Group's trading of products primarily complements sales of its self-manufactured products when it provides solution kits services to its customers. The turnover derived from the Group's trading business for the Period decreased from approximately HK$59.7 million for the year ended 31 December 2015 to approximately HK$53.5 million for the year ended 31 December 2016 as a result of different product mix required by its customers, and that part of their demand has been satisfied by the introduction of the Group's new products in 2016.

Turnover (Continued)

In terms of geographic coverage, the PRC and Korea remained the Group's major target markets during the Period and they collectively accounted for approximately 66.5% of the Group's total turnover for the year ended 31 December 2016 (2015: 74.3%). The turnover derived from sales in the PRC market and the Korean market were approximately HK$78.3 million (2015: HK$75.6 million) and approximately HK$90.9 million (2015: HK$84.4 million) respectively, representing increases of approximately 3.6% and 7.7% when compared to the previous year. The Group's turnover from other Asian markets (i.e. Hong Kong, Thailand, Vietnam and Taiwan) has also increased by approximately 69.1% from approximately HK$44.6 million for the year ended 31 December 2015 to approximately HK$75.4 million for the year ended 31 December 2016. This reflects the Group's continuous efforts in expanding its presence in other regions.

For the Period, approximately HK$156.6 million (2015: HK$125.3 million) of the Group's total turnover was derived from direct sales to customers whereas approximately HK$97.9 million (2015: HK$90.0 million) was generated from customers referred by its third-party agent. These increases reflect the Group's efforts in expanding its customer base during the Period.

Cost of Sales

In line with its increased turnover, the Group's cost of sales for the Period was approximately HK$161.3 million, representing an increase of approximately 21.4% from approximately HK$132.9 million for the year ended 31 December 2015. Such increase was primarily attributable to increased consumption of raw materials and direct labour costs in line with the increased sales volume of the Group's self-manufactured products over the Period.

Gross Profit and Gross Profit Margin

Along with its increased turnover, the Group's gross profit for the Period was approximately HK$93.2 million, increased by approximately 13.1% when compared to that of approximately HK$82.4 million for the year ended 31 December 2015. The Group's gross profit margin exhibited a slight decrease from approximately 38.3% for the year ended 31 December 2015 to approximately 36.6% for the year ended 31 December 2016, which was primarily attributable to a decrease in the gross profit margin in the sales of the Group' self-manufactured products.

For the Period, the average gross profit margin of the Group's self-manufactured products was approximately 41.9% (2015: 47.0%). The decrease was primarily due to the varying mix of products sold during the Period, where the Group sold more products that carry a lower gross profit margin than that in 2015. The average gross profit margin for trading of products sourced from third-party suppliers for the Period was approximately 16.7% (2015: 15.5%). Such difference was attributable to different product mix required by its customers from time to time.

Selling and Distribution Costs

The Group's selling and distribution costs for the Period amounted to approximately HK$11.2 million, which was comparable to that of approximately HK$11.3 million for the year ended 31 December 2015.

Administrative Expenses

The Group's administrative expenses for the Period was approximately HK$24.8 million, representing a decrease of approximately 29.1% over that of approximately HK$35.0 million for the year ended 31 December 2015. The decrease was primarily attributable to the absence of expenses in relation to the Listing during the Period.

Income Tax Expenses

The Group's income tax expenses for the Period was approximately HK$12.1 million, representing an increase of approximately 9.0% from that of approximately HK$11.1 million for the year ended 31 December 2015. Such increase in its income tax expenses was mainly the result of an increase in the Group's profit before tax during the Period.

Net Profit and Net Profit Margin

The Group's net profit for the Period was approximately HK$45.8 million, representing an increase of approximately 72.2% when compared to that of approximately HK$26.6 million for the year ended 31 December 2015, which was primarily due to the increased gross profit of the Group during the Period as well as savings in administrative expenses brought about by the absence of expenses relating to the Listing during the Period.

Along with the increase in the Group's net profit for the Period, its net profit margin (which is calculated by dividing the net profit for the relevant period by the turnover for the same period) has also increased from approximately 12.4% for the year ended 31 December 2015 to approximately 18.0% for the Period.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the Period, the operations at the Group were funded by internally generated cash flows and net proceeds from the Placing.

The Group's outstanding capital commitments as at 31 December 2016 amounted to approximately HK$2.1 million (2015: HK$4.4 million). Such commitments primarily related to purchase of equipment and machineries to expand the production capacity of the Group's production facilities, including DFN0603 and DFN1006 packages. Such outstanding commitments are expected to be funded by net proceeds from the Placing.

As at 31 December 2016, the Group had no outstanding bank borrowings.

Please refer to note 10 to this announcement for the ageing analysis in respect of the trade payables of the Group as at 31 December 2015 and 2016.

The Group's gearing ratio as at 31 December 2015 and 2016, which was calculated by dividing its total borrowings by its total equity as at those dates, were both nil due to the absence of borrowings as at those dates.

CHARGES ON GROUP ASSETS

As at 31 December 2016, an amount of approximately HK$5.1 million (2015: HK$5.0 million) was pledged to a bank to secure short-term bank facilities granted to the Group.

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS

The Group had not made any significant investments or material acquisitions and disposals of subsidiaries during the Period.

CONTINGENT LIABILITIES

As at 31 December 2016, the Group did not have any significant contingent liabilities.

EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES

The Group is exposed to foreign currency risks as several of its subsidiaries have foreign currency sales and purchases. For the years ended 31 December 2016 and 2015, approximately 75.4% and 76.5%, respectively, of the Group's sales were denominated in currencies other than the functional currency of the relevant group entities making the sale, and approximately 76.4% and 76.0%, respectively, of purchases were denominated in the relevant group entities' functional currency.

EXPOSURES TO FLUCTUATIONS IN EXCHANGE RATES (CONTINUED)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at 31 December 2016 and 2015 are as follows:

	Assets		**Liabilities**	
	As at 31 December		**As at 31 December**	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
United States dollars	**74,624**	30,980	**3,607**	4,375
Renminbi	**11,669**	4,757	**7,274**	6,788
HK$	**2,328**	3,211	**–**	–
	88,621	38,948	**10,881**	11,163

The Group currently does not have a foreign currency hedging policy. However, the Directors continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

HUMAN RESOURCES

As at 31 December 2016, the Group had a workforce of 298 full-time employees (including the two executive Directors but excluding the three independent non-executive Directors) of whom approximately 96.3% were employed in the PRC and approximately 3.7% in Hong Kong. The Group's staff costs (excluding contributions to pension schemes) for the years ended 31 December 2016 and 2015 amounted to approximately HK$28.1 million and HK$23.3 million, respectively. The Group's employees in Hong Kong are required to participate in the Mandatory Provident Fund scheme under which it is required to contribute a fixed percentage of the employees' payroll costs (up to a maximum of HK$1,500 per month) to the scheme. For the employees of its PRC subsidiary, the Group makes contributions to various government sponsored employee benefit funds, including housing provident fund, basic pension insurance fund, basic medical insurance, unemployment insurance, maternity insurance and work related injury insurance funds in accordance with applicable PRC laws and regulations.

The Group generally recruits employees from the open market. It actively pursues a strategy to recruit, develop and retain talented employees by (i) providing them with training programs on a regular basis to keep them abreast of their knowledge in the products it distributes, technology development and market conditions of the electronics industry; (ii) aligning employees' compensation and incentives with their performance; and (iii) providing them with a clear career path with opportunities for additional responsibilities and promotions.

ENVIRONMENTAL MATTERS

While the Group is subject to the PRC environmental laws and regulations including the Environment Protection Law of the PRC, which govern a broad range of environmental matters, including air pollution, noise emissions, discharge of waste water and waste residues, the Directors believe that the Group's production process does not generate environmental hazards which would pose a significant adverse effect on the environment and that the environmental protection measures undertaken by the Group are adequate to comply with all applicable current local and national PRC regulations.

During the Period, to the best of the Directors' knowledge, the Group had not received any complaint from its customers or any other parties in respect of any environmental protection issues, and had not experienced any material environmental incidents arising from its manufacturing activities. During the Period, no material administrative sanctions or penalties were imposed upon the Group for the violation of environmental laws or regulations which had an adverse impact on its operations.

DIVIDENDS

The Board does not recommend payment of any final dividend for the Period. During the Period, no interim dividend was paid or declared.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities 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 continued growth of the Group and for safeguarding and maximising Shareholders' interests.

The Company has complied with the code provisions set out in the CG Code during the Period.

ANNUAL GENERAL MEETING

The AGM will be held in Hong Kong on Friday, 26 May 2017. Notice of the AGM will be issued and disseminated to Shareholders in due course.

CHARITABLE DONATIONS

The Group made charitable donations of HK$200,000 (2015: nil) in total during the Period.

EVENTS AFTER THE REPORTING PERIOD

There is no material event undertaken by the Company or by the Group subsequent to 31 December 2016 and up to the date of this announcement.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the CG Code. The audit committee currently comprises all independent non-executive Directors, namely Ms. Wong Sau Ying, Ms. Chan Mei Po and Ms. Man Oi Yuk Yvonne and is chaired by Ms. Man Oi Yuk Yvonne. The audit committee has reviewed the annual results of the Group for the Period.

INTEREST OF COMPLIANCE ADVISER

The Company has received confirmation from its compliance adviser, Celestial Capital Limited (the "Compliance Adviser"), that as at 31 December 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
"AGM"	the annual general meeting of the Company to be held on Friday, 26 May 2017
"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 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
"Korea"	the Republic of Korea
"Listing"	the listing of the Shares on GEM on 9 October 2015
"Loan Capitalisation"	the issue of 30,000,000 Shares to each of the nominees of Mr. Chow Hin Keong and Mr. Chow Hin Kok for the set-off of each of their outstanding amounts of HK$30,000,000 owed by the Company, credited as fully paid, on 22 September 2015, particulars of which are set out in the Prospectus
"Period"	the year ended 31 December 2016
"Placing"	the placing of the Shares by the Company in connection with the Listing, particulars of which are set out in the Prospectus
"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 People's Republic of China 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
"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
"Subdivision"	the sub-division of each issued and unissued share of the Company of HK$0.10 each into ten shares of HK$0.01 each pursuant to the written resolutions of the Shareholders passed on 22 September 2015
"%"	per cent

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

Hong Kong, 2 March 2017

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****.*